



Tobacco crisis over
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THE JERUSALEM POST

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SECOND EDITION

Vanunu affair

Britain seeks answers

By BENNY MORRIS and DAVID HOROVITZ
Jerusalem Post Reporters
Britain yesterday asked Israel for "clarifications" about the way in which Israeli nuclear technician Mordechai Vanunu landed up in Israel after having been in Britain. The British request prompted speculation yesterday that the affair could trigger a deterioration in relations between the two countries.

British Ambassador William Squire, on instructions from the Foreign Office, contacted the Foreign Ministry's political director.

Mark of Vanunu

By LIOA MORIEL
BEERSHEBA. — A number of families named Vanunu have recently applied to Interior Ministry offices in the south to change their name. The Jerusalem Post has learned from a reliable source. Zealous reporters from all over the world have been phoning many of the Vanunus here in the hope of contacting the "real" family. There are 111 families with that name in the Negev telephone directory, under three different spellings.

For the past week, Mordechai Vanunu's father has not opened his religious bookshop in the market here. Following harassment from strangers in the neighbourhood where they live, the Vanunus have left town to stay with relatives elsewhere.

general, Yossi Beilin. He conveyed Whitehall's request that Israel provide additional information about the Israel government's statement on the matter in Jerusalem on Sunday.

That statement denied allegations that Israel had kidnapped Vanunu on British soil. It also denied that former Prime Minister Shimon Peres had, in advance of the kidnapping, telephoned British Prime Minister Margaret Thatcher and obtained her consent.

Some foreign reports claimed that Vanunu had been duped by Israeli agents out of Britain and had only (Continued on Back Page)



President Corason Aquino of the Philippines is greeted by Emperor Hirohito in Tokyo yesterday. See story Page 3. (Reuters telephoto)

British MP tells The Post: 'Onus is on Israel to dispel suspicions'

By DAVID HOROVITZ
Jerusalem Post Correspondent
LONDON. — Israel owes it to Britain to state clearly just how nuclear technician Mordechai Vanunu came to leave Britain's shores, MP Anthony Beaumont-Dark said here yesterday.

In an interview with The Jerusalem Post, the Conservative MP said that he had been told by an Israeli "prominent in public life" that Vanunu had been bundled into a crate and smuggled out of Britain as diplomatic baggage. "Until Israel explains how it got hold of him, the suspicion that he was abducted will linger on," said Beaumont-Dark.

The Birmingham MP, who has been leading the calls for a British government inquiry into Vanunu's mysterious departure from Britain, said that he "cannot accept that Vanunu left of his own volition. There is no evidence that he left through normal channels. And, what is more convincing, is the fact that he left behind the money he had been paid for his treacherous activities."

Beaumont-Dark took considerable pains to stress that his was not a (Continued on Page 2, Col. 1)

Danes say their ships carried U.S. arms to Iran

COPENHAGEN. — Danish ships have carried at least nine shipments of arms — including secret U.S. deliveries — to Iran this year, the head of the Danish Seamen's Union has said here.

The statement by union secretary-general Henrik Berian comes amid controversy over reports that the U.S. has been supplying Iran with arms in exchange for the release of U.S. hostages held in Lebanon.

Berian said his union knew of at least nine such deliveries — made both from European ports and from Israel — and that details of "many others" would be revealed this week.

The Seamen's Union on Saturday sent a letter to the Danish Foreign Ministry calling on the government to deliver a protest to the U.S. over the deliveries.

"It is unacceptable that the U.S. should use the citizens of an allied country for these very dangerous arms deliveries," the letter said.

In Washington, a key U.S. senator appeared yesterday to confirm the secret arms dealings and said details were withheld from Secretary of State George Shultz.

Senate Foreign Relations Committee Chairman Richard Lugar said he met privately on Saturday with Shultz to discuss reports of the arms deals.

Throughout a television interview yesterday, Lugar spoke as if the reports were based on fact. Thus far the Reagan administration has refused to comment on the reports.

Lugar, a member of President Reagan's Republican Party, said that while Shultz had been informed of the decision to deal in secret with Iran, he was not informed of certain details about the contacts.

Lugar said that in their meeting Shultz "indicated that he really is not conversant" about the reported arms-for-hostages deal.

A Washington TV station said last night that Shultz had denied a report in The New York Times that he planned to resign in protest against the reported deal with Iran. Time magazine reported in its latest edition that Adnan Khashoggi (Continued on Back Page)

Decision unanimous, but Greece demurs Arms embargo part of EC move against Syria

By DAVID HOROVITZ

Jerusalem Post Correspondent
LONDON. — European Community foreign ministers finally agreed at their talks here yesterday to support Britain's call for punitive action against Syria. The package of sanctions, although limited, does include an arms embargo. But even though the 12 EEC members unanimously agreed to a package of four measures against Syria, Greece refused to endorse a Community statement condemning Damascus, and France accepted only that the statement condemned "certain Syrian citizens" and not necessarily the Assad government.

The punitive measures, worked out at Britain's initiative in the light of its conclusive evidence of Syrian involvement in the Hindawi plot, provide for no new arms sales to Syria; the suspension of high-level visits to and from Syria; a review of the activities of Syrian diplomats and officials in the EEC; and the tightening of security around Syrian Arab Airlines.

Greece's agreement to these measures, even though it completely rejected the basis for their implementation, saying it was "not yet ready to say that Syrian involvement is responsible for the Hindawi case."



Britain's Foreign Secretary Geoffrey Howe consults with aides before the start of the European Community foreign ministers' meeting in London yesterday. (Reuters telephoto)

exposed the steps as little more than hot air, in the eyes of many observers. Greece's Deputy Foreign Minister Theodore Pangalos said that his gov-

ernment had no objection to the measures because Greece in any case did not sell arms to Syria, is not planning any high-level visits, and already has stringent security at its airports and around embassies.

The measures agreed upon by the EEC yesterday are far softer than the recall of ambassadors that British Foreign Minister Sir Geoffrey Howe first sought when the EEC ministers met two weeks ago in Luxembourg.

Nevertheless, Howe yesterday praised the steps, claiming that they would clearly show Syria that support of international terrorism was "completely unacceptable."

Howe told The Jerusalem Post that the measures had the "committed support of all [the 12 EEC] colleagues," and that they are recognized as important for that reason by the Syrians.

He claimed that Greece only failed to endorse the statement because of a quibble over the wording. When pressed by The Post on Pangalos's remark that many ministers seemed less than enthusiastic about the package, Howe said only that he "cannot clarify the observations of other ministers."

The community's statement, read to reporters by Howe, who hosted the meeting as current EEC president, said that the EEC wished "to send to Syria the clearest possible (Continued on Back Page)

After midnight from Beirut

Two French hostages freed

BEIRUT (AFP). — A left-wing Moslem fundamentalist group said here after midnight that it had freed two of the three French hostages it was holding.

A caller claiming to represent the Organisation of Revolutionary Justice (ORJ) phoned the independent newspaper An-Nahar to say that the two, "whom he did not name, had been left on the sea-front in largely Moslem West Beirut "with directions to the Beaurivage hotel," where a previous statement had said they would be released.

That statement said the release had been decided after specified "promises made by the French government."

A first statement was delivered four hours before European Community foreign ministers met to discuss sanctions against Syria for its role in the El Al bomb plot.

The hotel is used by Syrian military observers as well as by the head of Syrian military intelligence in Lebanon, Brigadier Ghazi Kanaan.

Three French hostages were being held by the ORJ — Aurel Cornea, 54,

Jean-Louis Normandin, 35, and Marcel Condari, 54.

In Paris French TV reported that the two men, both journalists but without specifying their identities were on their way to Damascus after being released.

Nine French nationals are among 21 foreigners missing and believed kidnapped by militant groups.

The promise of freedom came eight days after the Islamic Jihad organization released U.S. hospital director David Jacobsen, 55, who had been held for 17 months.

Molotov, Stalin's right-hand man, dies at 96

MOSCOW (Reuters). — Vyacheslav Molotov, Josef Stalin's foreign minister and prime minister said a veteran of the revolutionary struggle that overthrew the tsarist system in 1917, died on Saturday aged 96, the official news agency Tass announced last night.

Tass quoted an announcement from the Soviet government saying his death came "after a long and grave illness."

Molotov, born V.M. Skryabin, adopted his underground name "the hammer."

Peres: 'Vanunu a liar, we won't be the first'

CHICAGO (Reuters). — Foreign Minister Shimon Peres said last night that Mordechai Vanunu who claimed Israel had produced nuclear warheads had lied. Peres said that Israel has not departed from its policy of keeping such weapons out of the Middle East.

"Israel stated very clearly that we shall not become the first country to introduce nuclear weapons into the Middle East. This is our stated position and we didn't depart from it," Peres said.

"This is pretended information," Peres said of Vanunu's allegations. And even though the information wasn't true, he said, Vanunu should still be prosecuted because "he does not have the right" to discuss such matters. Vanunu violated the law, Peres said, by disclosing issues "which are considered state secrets, or pretending to."

Peres, who yesterday began a week-long visit to the U.S., refused to shed any light on how Vanunu came into Israeli custody.

Prime Minister Lange to tell Herzog in Wellington: NZ concerned about nuclear Israel

NZ concerned about nuclear Israel

WELLINGTON. — New Zealand Prime Minister David Lange said yesterday he would express concern to President Herzog over reports that Israel has nuclear arms and is rapidly developing its nuclear capability.

Lange said he would raise the issue in talks today with Herzog, who arrived in New Zealand yesterday on a three-day visit. He said he would also ask Israel to halt producing nuclear arms if the reports were true.

The prime minister said Israeli production of such "formidable weapons" could be "enormously destabilizing" for the Middle East.

He added that he would try to persuade Israel to sign the Nuclear Non-Proliferation Treaty, but was not hopeful of success.

New Zealand has adopted strong anti-nuclear policies under Lange's Labour government. It is co-sponsor of a non-proliferation resolution currently before the UN General Assembly.

Under Lange, New Zealand has banned warships armed with nuclear weapons from its ports and ratified the South Pacific Nuclear-Free Zone Treaty.

Herzog, who arrived in Christ-

church yesterday, said he hoped to strengthen economic and political ties with New Zealand and counter Arab anti-Israel activities.

The president was to fly to Wellington later in the day to meet Lange. He is also to meet the 3,000-member Jewish community and address the national press club.

Herzog arrived from Australia on an Israel Air Force jet. He is to leave for Fiji tomorrow.

The volume of trade between Israel and New Zealand is small, but runs heavily in Israel's favour. (AFP, Reuters) (See Appeal to Australian Jews, page 4)

Levy confirms Shikun Upitvah appointee, balks on promises

Workers stuck with their new boss

By MICHAL YUDELMAN
Jerusalem Post Reporter
Workers at the government housing company, Shikun Upitvah, yesterday found themselves with a new deputy director general, whom they had opposed, but without all the benefits they had been promised in exchange for accepting the appointment.

The unsavory agreement has sorely embarrassed Housing Minister David Levy. He declared yesterday that the promises obtained by the workers were null and void. But he upheld Avner Sarusi's appointment as valid.

Levy denounced the agreement between the housing company's works committee and its board chairman David Mor for making Sarusi's appointment conditional

upon benefits for the workers. "Any attempt to make benefits a condition for the appointment is totally improper," he said.

As for Sarusi, Levy said, his appointment had been unanimously approved on October 9 by the company's board of directors, which consists of public figures and representatives of the government and the government corporations authority.

Levy noted, however, that some of the benefits in the agreement had been given to all public sector workers and had nothing to do with Sarusi's appointment. Such benefits, he added, may be approved.

The company board is to convene today to discuss the agreement. Shikun Upitvah workers yesterday threatened to take measures if the original agreement is not val-

dated. Details of the scheme to "buy" Shikun Upitvah's workers' agreement to the appointment of Sarusi, a close friend and former adviser of the minister, caused a public uproar.

The post to which Sarusi was appointed did not exist before, and the workers maintained that he was not qualified for the job and was the fourth political appointment made by Levy this year. Moreover, 45 company workers had been dismissed during the year to save the company some \$200,000 a year.

The benefits promised to the workers by Mor would have cost the company about \$250,000 a year. They included an extra month's pay, the promotion of half the workers by two grades and of the rest by one grade.



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BUSINESS JAMES	10.9.86	11	15	Cloudy
CHICAGO	10.9.86	11	15	Cloudy
COPENHAGEN	10.9.86	11	15	Cloudy
FRANKFURT	10.9.86	11	15	Cloudy
GENEVA	10.9.86	11	15	Cloudy
HONGKONG	10.9.86	11	15	Cloudy
JERUSALEM	10.9.86	11	15	Cloudy
LONDON	10.9.86	11	15	Cloudy
MADRID	10.9.86	11	15	Cloudy
MONTREAL	10.9.86	11	15	Cloudy
NEW YORK	10.9.86	11	15	Cloudy
PARIS	10.9.86	11	15	Cloudy
SAO PAULO	10.9.86	11	15	Cloudy
STOCKHOLM	10.9.86	11	15	Cloudy
TOKYO	10.9.86	11	15	Cloudy
TORONTO	10.9.86	11	15	Cloudy
ZURICH	10.9.86	11	15	Cloudy

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THE WEATHER

Forecast: Partly cloudy, with chance of local showers.

	Yesterday's	Yesterday's	Today's
	Humidity	Min-Max	Min
Jerusalem	56	5-12	13
Golan	84	4-12	13
Nahariya	67	3-9	11
Safed	58	12-18	19
Haifa Port	61	10-20	21
Tiberias	52	7-15	16
Nazareth	47	10-16	19
Afula	46	6-14	15
Sharon	46	16-20	20
Tel Aviv	61	12-18	20
B-G Airport	60	12-21	22
Jericho	48	15-19	20
Gaza	76	10-15	18
Beersheva	34	14-22	22
Eilat			

SOCIAL & PERSONAL

The first of this year's Aharon Katzir-Katchalsky lectures on "Biological Foundations and Human Behaviour" was given yesterday by Prof. Benno Hess, director of the Max Planck Institute for the Physiology of Nutrition, and vice president of the Max Planck Society, in the Wix Auditorium of the Weizmann Institute of Science. Prof. Hess spoke on "Complex Dynamics in Chemistry and Biology, New Approaches to the Study of Temporal and Spatial Patterns." Prof. Ephraim Katzir was in the chair.

Today, Prof. Hess will speak on "Mechanism and Control of Ordered and Chaotic States in Chemistry and Biology." Prof. Henryk Eisenberg will be in the chair.

The Aharon Katzir-Katchalsky lecture series was endowed by Mr. Stephen L. Stulman of New York.

A dinner in honour of the participants of the 38th annual meeting of the Board of Governors of the Weizmann Institute of Science was given last night by the Association of the Friends of the Weizmann Institute in Israel, at the Hilton Hotel in Tel Aviv. Guest of honour at the dinner, which was under the patronage of Vice Prime Minister and Minister of Foreign Affairs Shimon Peres, was U.S. Ambassador to Israel Mr. Thomas Pickering, who spoke on advancing scientific frontiers.

ARRIVALS

Prof. C. Anfinson, Prof. F. Bach, Prof. A. Beloff-Chalm, Mr. A. Bilde, Mr. M. Birnbaum, Mr. L. Blumberg, Mr. H. Cameron, Mr. N. Cohen, Prof. M. Cohn, Mr. G. de Botton, Ms. V. Clow, Dr. G. Duffell, Prof. J.P. Ebel, Mr. A. Feinberg, Mr. H. Gaudier, Mr. D. Ginsburg, Mr. M. Goldschlager, Mr. B. Goldsmith, Mr. J. Hendel, Mr. L. Hertzberg, Prof. M. Kamen, Mr. J. Kay, Sir J. Kendrick, Mr. M. Kerner, Ms. H. Kimmelman, Mr. D. Kleinman, Mr. P. Kleiman, Prof. A. Klug, Mr. M. Koffler, Mr. Reuben Kunin, Ms. M. Laub, Mr. S. Marcus, Mr. M. Moros, Mr. L. Perle, Mr. C. Pitschke, Prof. A. Rich, Prof. J. Ross, Prof. J. Roth, Mr. D. Saff, Prof. H. Stahl, Mr. H. Stone, Dr. S. Udenfriend, Mr. D. Wright and Dr. V. Wyler, to attend the 38th Annual Meeting of the Board of Governors of the Weizmann Institute of Science opening today.

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(Continued from Page One)

vendetta against Israel, and that, in fact, he had "a great admiration for Israel and the Mossad."

"My attitude to those who betray their countries is well known. I take a very hard line, and I would have been the first to sign a request for his extradition."

"But there is a civilized way to go about these things. Nigeria was quite rightly hammered over the abduction of Diko, and Syria was punished for its role in the Hindawi affair. The fact that there is a friendly relationship between Britain and Israel does not make the rules any different."

Beaumont-Dark said he will renew his calls for a government inquiry into Vanunu's departure when the House of Commons reconvenes tomorrow.

"When a country decides that there are some laws it obeys and some it doesn't, that there are some civilized attitudes it accepts and some it doesn't, that country is on a very slippery slope," the MP said.

Basketball upset

Post Sports Staff

There was a major upset in National League basketball action last night when unfancied Hapoel Gvat overcame Hapoel Tel Aviv 80-

HOME AND REGIONAL NEWS

Teachers get paid, normalcy at schools

By AVI TEMKIN and MENACHEM SHALEV
Jerusalem Post Reporters

Schools throughout the country went back to normal yesterday with government officials expressing guarded optimism concerning a resolution of the education budget crisis.

The Education Ministry yesterday transferred money for the October salaries of teachers and other education system workers to the local authorities which make the payments.

The transfer was made possible after "considerable progress" was made in Sunday night's talks between the ministry and the Treasury. The two sides are slated to meet again tomorrow to continue the negotiations.

The Treasury has retreated from its insistence that the education budget be cut by NIS 101 million in order to comply with government decisions.

The Treasury has also backtracked from its "sanctions" and has agreed to release nearly all of the NIS 145 million originally earmarked for the Education Ministry for November. Previously the Treas-

Talks on plans for the navy

Post Diplomatic Correspondent

Prime Minister Shamir told Pentagon arms costs expert Dov Zakheim yesterday that, in the final analysis, Israel alone would determine its defence needs with respect to the future development of the Israeli Navy.

Zakheim, deputy undersecretary of defence for policy and resources, arrived during the weekend with cost estimates of the plans to upgrade the Navy, including the construction of a new generation of missile boats and submarines.

Building the new vessels, according to Israeli estimates, will cost around \$1 billion. The difference between the American and Israeli cost estimates was "less than 10 per cent," or "less than \$100 million," Israeli sources said.

"The two sets of estimates are very close," said a source after the meeting in the Prime Minister's office.

Zakheim and Shamir did not discuss the reported U.S.-Israeli-Iranian arms deals or the Lavi warplane, the source said. In recent months, Zakheim's name has been connected to Pentagon doubts about the cost effectiveness of the Lavi project.

The source said that the Navy programme has built-in variables relating to the number of vessels and the time it will take to build them. This implied that any difference between the American and Israeli estimates could be bridged by juggling these two variables.

The American involvement in the Navy building programme stems generally from U.S. military aid to Israel and specifically from the possibility that some of the construction will take place in the U.S.

Earlier yesterday Zakheim met in the Defence Ministry with the director-general of the ministry and the O/C Navy. The officials discussed the possibility of constructing the new Sa'ar V missile boats in the U.S. and the submarines in Europe or Israel. The talks will continue through this week in an attempt to agree on practical details for carrying out the plan.

Denver Boot is back in TA

By JONATHAN KARP
For The Jerusalem Post

After a two-day respite from the Denver boot, drivers in Tel Aviv will again have to think twice today about parking illegally.

The Tel Aviv Municipality announced yesterday that from 7:00 this morning it will use its own inspectors to clamp the device on illegally parked cars. The private company which had performed the task for the last year-and-a-half backed out of its contract on Sunday follow-

ing a dispute with the city.

The contractor, Reuben Gross, insisted that he be allowed to "boot" up to 1,000 cars a day and to determine which violations were punishable by the Denver boot. But the Tel Aviv District Court last Wednesday upheld the municipality's right to set the terms of the contract, and Gross subsequently decided to discontinue his services.

The city said it had acquired 100 Denver boots from the Netivei Ayalon Company.

Knesset roundup / Asher Wallfish and Dvora Getzler

Rabin defends editor's expulsion

The defence authorities will abide by the decision of the High Court of Justice if A-Sha'ab editor Akram Haniye petitions the court against the order expelling him from the country, defence Minister Yitzhak Rabin told the House yesterday.

The expulsion order was attacked by MK Tewfik Toubi (Democratic Front for Peace and Equality) and Shulamit Aloni (Citizens Rights Movement), and was defended by Likud MK Uzi Landau. They had all proposed motions for the agenda on the expulsion, which was ordered itself with Rabin's statement.

Uproar over Geula Cohen's 'big smear'

By ASHER WALLFISH
Post Knesset Correspondent

The Alignment, Mapam and Citizens Rights Movement were up in arms yesterday over MK Geula Cohen's remarks to Israel TV late on Sunday night about the need to "purge the General Security Service of leftists."

The Tehiya MK said that the GSS had to be cleansed of elements whose loyalty to the state was in doubt and whose political ideas interfere with the performance of their mission.

The Alignment faction executive accused Cohen of calling for a "McCarthy-style purge." The way she labelled entire groups "traitors" recalled the "worst regimes of the past," the Alignment said.

Simcha Dinitz accused Cohen of practising "the big smear." Haim Ramon said that the difference between Cohen and Meir Kahane (Kach) was fast diminishing.

The acting chairman of the Foreign Affairs and Defence Committee, Michal Harish, accused Cohen of slandering the operatives of the GSS and demanded a retraction.

Mapam and the CRM voted unanimously to halt all parliamentary cooperation with Cohen, on the grounds that her statement "endangered democracy and state security."

Ran Cohen (CRM) said that "the murderers" were to be found in the Jewish anti-terror underground, which Cohen's Knesset faction supported. His colleague Yossi Sarid called her remarks "loathsome."

Chaima Grossman (Mapam) accused Cohen of launching a witch-hunt and asked why Israel TV gave her air time to spread her "smears."

Cohen was fully supported by her faction, Tehiya, which stated that she was right to score "the GSS for employing people from the extreme left who held views dangerous to state security and who preached the establishment of a Palestinian Arab state."

Cohen, charging that Mapam and the CRM were collaborating with the Progressive List for Peace, said she had referred to "the extreme left" and not "the left."

There was no reason, she said, why "extreme leftists" should not propagate their views freely.

But there was every reason to keep them out of sensitive security jobs, such as in the GSS.

Cohen said a member of Peace Now could serve in the GSS, but not a person who worked to create a Palestinian state. Government policy ruled out a Palestinian state, and every member of the GSS had to adhere loyally to government policy.

Later yesterday, Cohen urged Sarid and his colleagues to watch the tape of her Sunday night TV interview so that they could hear what she actually said.

Minister-without-portfolio Yosef Sharira said yesterday that he was "a bit astonished" by MK Geula Cohen's statement. "There are many left-wing people, members of Hashomer Hatzair and other movements, in whose hands I would definitely be prepared to entrust my life, in regard to their loyalty to the country," he said.

He added that the blanket disqualification of all left-wingers for GSS service was "a mistake." He said that he thought Cohen "should examine [her statement] again, and if she thinks she made a mistake, she should apologize."

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HOME NEWS IN BRIEF

Life term for killer of 2 inmates

Hussam Ibrahim Abder-Rahman Naze, of Kalkiya, was yesterday sentenced to life imprisonment after confessing to the murder of two inmates of Nablus prison who shared a cell with him.

The 21-year-old prisoner committed the murders on September 14. He said he had killed the men because they had collaborated with the authorities.

The Nablus Military Court also found him guilty of belonging to a subversive organization and of recruiting others to join it. (Itim)

Bodies of 3 Egyptian fishermen found

GAZA (Itim). - An IDF patrol found the bodies of three Egyptian fishermen washed up on Gaza beach yesterday morning. An Egyptian identity card and Egyptian money was found on one of the bodies. Police believe that the men drowned when their fishing boat sank in stormy seas.

Cancer society launches fund-raising campaign

Jerusalem Post Reporter

Some 40,000 volunteers will knock on doors today to collect money in the Israel Cancer Society's annual fund-raising campaign.

The society hopes to raise NIS 2 million today, as the volunteers visit 800,000 homes in 900 towns and settlements around the country.

Government budget cuts have affected cancer research and early detection and rehabilitation, leaving it to the cancer society to fight almost single-handedly against the disease.

Antiquity thieves nabbed after 12-hour ambush

Jerusalem Post Staff

Six people were reportedly caught this week in the act of stealing ancient coins and pottery sherds at an archeological site in the Plain of Judah.

Inspectors from the Antiquities Division of the Education Ministry set up an ambush with Border Policemen after footprints were discovered near an underground site believed to have been used by the followers of Bar Kochba.

The suspected thieves were taken to the police station in Beit Shemesh.

Rampaging youth wounds 3 health workers

OR YEHUDA (Itim). - A 15-year-old youth was arrested yesterday on suspicion of attacking and wounding three women employees of the municipal psychological service, including his own therapist. All three were hospitalized and later released.

The youth allegedly returned to the centre after a session with his therapist and threw a floor tile at her, breaking her jaw. When the other two workers came to his aid, the youth allegedly broke a vase over the head of one and punched the other in the face.

Jordan to double its funds to territories

Post Middle East Staff and Agencies

AMMAN. - Crown Prince Hassan said yesterday that Jordan would increase its annual funding for the West Bank and Gaza Strip from 12 to 22 million dinars (\$34 million to \$63 million) as part of its proposed \$1.2 billion development plan for the territories.

The plan, to be financed largely through international sources, is to begin in 1987 - although Jordan also recently approved the allocation of additional "emergency funds" to the West Bank until the plan can be implemented.

"No one else can claim to have contributed more than Jordan in supporting the Arab identity [in the territories]," he said.

Hassan was speaking after a three-day conference held by Jordan to brief some 15 foreign financial specialists on the billion-dollar plan.

Western diplomats said there was sympathy for the development needs of Jordan at the conference. But only the U.S. has so far pledged \$22.5 million for the plan, which the PLO says is an attempt to neutralize its influence in the territories.

50% of annual rains fell

By ANDY COURT

The four days of rainstorms which ended yesterday marked "a once-in-50-years occurrence," says Meteorological Service duty officer Robert Olinsky.

"On a national average, we got about 50 per cent of our annual average rainfall. There are some places which even received the equivalent of their entire average annual rainfall," Olinsky said last night.

The heavy rains have apparently ended, but scattered rain and generally cold and cloudy weather will continue for the next few days, the weatherman predicted.

In the past four days, Jerusalem received 52 per cent of its annual average. The largest amount of rain - 232 mm - fell in Kiryat Ono, while Rehovot had 203 mm, Sde Dov, 142 mm, Degania, 90 mm, and Beersheba 32 mm.

Repair crews continued to work on flooded roads, downed power lines, and wet telephone cables. A few thousand telephone lines, mostly in the Dan Region, were still not working, according to Bezek spokesman Zechary Mizrotsky. "We hope it's only a matter of a few days before we have all the problems fixed," he said.

The city of Gaza was almost completely cut off yesterday because of flooding and blocked roads.

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FOREIGN AND REGIONAL NEWS

Washington Times produces interview text

Chirac did hint Israel role in El Al bomb plot

PARIS. — The office of Prime Minister Jacques Chirac refused to comment Monday on a Washington Times transcript of an interview in which he reportedly suggested that Israel, and not Syria, was behind an attempt to plant a bomb aboard an Israeli airliner in London last April.

The editor of the Washington Times published the transcript in full yesterday after Chirac accused the paper of misinterpreting his remarks.

In a separate article, the paper said it had been approached five times during the weekend by Chirac's purported intermediaries who asked that the transcript not be published.

In a related development, the Syrian chargé d'affaires in Paris, Emile Shofari, told the French national TV channel the Chirac interview published last Friday largely confirmed previous Syrian accounts of the bombing attempt. "The whole affair was set up by the Mossad."

According to the English transcript of the interview Chirac gave in French last Tuesday to Washington Times editor Armand de Borchgrave, the Prime Minister said he had discussed the bomb plot with West German Chancellor Helmut Kohl and Foreign Minister Hans Dietrich Genscher.

The transcript quoted Chirac as saying: "I don't go as far as they do, but their thesis is that the (Nezar) Hindawi plot (to blow up the airliner) was a provocation designed to embarrass Syria and destabilize the Assad regime."

"Who was behind it? Probably people connected with the Israeli Mossad in conjunction with certain elements close to (Syrian President Hafez) Assad who seek his overthrow."

Chirac said those who knew the Syrian Ambassador to London implicated in the plot, Loulou Allah-Haydar, maintained it was implausible if not impossible that he was involved.

When it was pointed out that British Intelligence services had the equipment to eavesdrop on a conversation between Hindawi and the ambassador, Chirac said: "Nothing is easier to fake than that kind of evidence without government leaders knowing of the real plot."

"I am not rendering judgment. I merely tell you what West Germany's leaders believe, which I tend to share."

"I also notice Britain made certain proposals to her European partners and subsequently withdrew them, and I am confident in telling you that when the European partners meet

again on November 10, wiser counsels will prevail, and a common position towards terrorism in general, and toward Syria in particular, will emerge," Chirac said.

The Washington Times said it had been obliged to publish the full transcript because Chirac refused to retract his statement that the paper had interpreted his comments inaccurately.

The credibility of the paper and its editor had been "called seriously into question" by Chirac, whose declarations had "immense implications" for the Western alliance, it said. (AFP, Reuters)

Jerusalem Post Bonn Correspondent Vladimir Struminski adds:

The West German government yesterday repeated its denial of the alleged remarks by Chancellor Kohl and Foreign Minister Genscher about an Israeli role in the foiled El Al jumbo bombing in London. Government spokesman Friedrich Ost said that the German government had no knowledge of an Israeli role in the planned attack and therefore no such "information" could have been passed on to the French.

A spokesman for the Foreign Ministry in Bonn also denied that Genscher had made such allegations.



Residents of the tiny West German village of Unkel, on the banks of the Rhine River, collect water from tanks provided by the local fire department after it was found that the drinking water usually taken from the Rhine was contaminated by massive chemical pollution.

East bloc leaders open Comecon conference

MOSCOW (Reuters). — Kremlin leader Mikhail Gorbachev and Communist Party leaders from nine Soviet-allied countries yesterday held the first formal summit of the Comecon trading bloc since June, 1964.

The official Soviet news agency Tass reported the opening of the meeting in Moscow but gave no details of the agenda or how long it would last.

The summit is being held only one week after prime ministers from the Comecon countries met in Bucharest where they signed accords on setting up joint production enter-

prises and took other measures aimed at increasing economic integration.

Diplomats said the gathering of the party leaders so soon after their heads of governments had held a full-scale meeting pointed to the urgency with which Gorbachev is seeking to inject new dynamism into the Comecon economies.

Romanian leader Nicolae Ceausescu said last month in Bucharest that the Moscow session would discuss closer economic cooperation between the Comecon states.

Tass said Ceausescu, Todor Zhivkov of Bulgaria, Gustav Husak of Czechoslovakia, Erich Honecker of East Germany, Janos Kadar of Hungary, Wojciech Jaruzelski of Poland, Fidel Castro of Cuba, Zhambyl Batmunkh of Mongolia and Truong Chinh of Vietnam had arrived for the meeting.

East European sources said Gorbachev could use the summit to brief his allies on his meeting with President Reagan in Iceland last month, although it was clear that Comecon economic issues were the formal reason for the meeting.

Aquino, in Japan, gets immediate aid pledge

TOKYO. — Philippine President Corason Aquino, dodged by rumors of a possible military coup, in his absence, started a visit to Japan yesterday with an immediate promise of economic aid from Prime Minister Yasuhiro Nakasone.

Nakasone pledged to extend a 40.4 billion yen (\$247.8 million) loan during a meeting with Aquino, according to a statement issued by the Japanese Foreign Ministry.

It said the loan, requested by the Philippines, was intended to build a coal-fired thermal power plant in Batangas province, south of Manila, to cope with a projected power shortage in Luzon.

Nakasone also promised to expedite talks on an annual supply of low-interest official loans to the Philippines for the current fiscal year which ends in March.

Philippine Presidential Press Secretary Teodoro Benigno said Japan was "ready" to commit itself to official loans exceeding the total

for the last fiscal year, \$309 million. And in another sign of Japanese backing, a separate statement issued by the Foreign Ministry said: "The prime minister...stated that Japan would not spare its support to the new nation-building efforts of the government of the Philippines led by President Aquino."

Aquino went ahead with her four-day state visit, aimed at winning increased financial aid from Japan, after warning military dissidents not to attempt a takeover.

"Any coup or other military action by misguided elements must contend with my opposition, which means with the power of the people," she said.

In Manila, journalists were given terse statements from Defence Minister Juan Ponce Enrile, who has been linked by newspaper reports to an alleged coup plot by disgruntled military officers, and armed forces chief General Fidel Ramos, who has vowed to crush any such attempt.

Dacca lifts martial law

DACCA (Reuters). — Bangladesh yesterday ended nearly 4 1/2 years of military rule when President Hossein Mohammad Ershad said he was returning the country to democracy.

A proclamation signed by Ershad said he was renouncing his title as chief martial law administrator and restoring the constitution he suspended soon after seizing power in a military coup in 1982.

The proclamation came only an hour after parliament, in a brief but dramatic session, passed a law protecting the President against prosecution for his role during military rule.

The Constitutional Amendment Law was approved without opposition by a vote of 223-0 in the 330-member House despite a boycott by more than 100 opposition parliamentarians.

The act was passed soon after the end of a six-hour general strike called by the major opposition groups. The protest, which paralyzed life in Dacca and elsewhere across the country, erupted in violence near Dacca University where a boy was killed and at least 40 people were wounded in shootouts between pro and anti-government groups.

The act declared Bangladesh's constitution, suspended by Ershad in 1982, fully restored. But it said all proclamations issued by Ershad as chief martial law administrator would be treated as legal and could not be challenged in any court.

Without the indemnity act, Ershad could have risked treason charges for what the opposition called "running an illegal military government."

Some 107 opposition legislators boycotted the session.

Urgent parley sought on Rhine toxic crisis

THE HAGUE. — Toxic waste spilled into the Rhine 10 days ago reached the central Netherlands yesterday as European countries called for urgent meetings to deal with the environmental crisis and to improve cooperation in the future.

Dutch waterways officials said the highest concentration of pollution was passing the central Dutch town of Gorinchem and flowing rapidly towards the North Sea through Rotterdam, thanks to diversions keeping the water flow to the fastest route.

Countries bordering the Rhine continued to express anxiety over the possible ecological consequences of the accident, in which tons of pesticides, mercury and other chemicals poured into the river after a factory fire in Basle.

Dutch Transport and Waterways Minister Nelie Smit-Kroes and French Environment Minister Alain Carignon called for high-level meetings among the Rhine nations to discuss better cooperation and alarm procedures, and possible compensation from Switzerland and chemical companies there.

A spokeswoman for Smit-Kroes said the minister was "alarmed" by the disaster and by the apparently haphazard way Switzerland informed France, West Germany and the Netherlands.

Carignon called the accident an "ecological catastrophe."

Smit-Kroes invited responsible ministers and officials to meet in The Hague within the week. The head of the Swiss environmental protection office, Bruno Boehlen, said Switzerland was offering to host a similar meeting.

In Brussels, the European Community's (EC) Commission also called for a meeting of EC ministers on the accident.

"The chemical fire at Basle and the consequent poisoning of the Rhine have driven home the importance of international action to deal with pollution problems," the commission said in a statement.

Scientists and environmentalists said it was still too early to count the full cost of the accident, although they described it as one of the worst cases of river pollution in Europe.

Environmental officials reported that pollution levels were six times higher than normal, but were beginning to diminish. They stressed that the pollution in the Netherlands so far only appeared to affect micro-organisms and insects, but not fish, birds or amphibians. But as a precautionary measure, anglers were advised not to eat fish taken from the river, and food-processing companies were told not to draw its water for the time being. (Reuters, AP)

Iceland's whaling station raided, half of fleet sunk

REYKJAVIK (Reuters). — Iceland's only whaling station was reported heavily damaged in a sledgehammer attack yesterday soon after half the country's whaling fleet was sunk in an action claimed by an anti-whaling organization.

Iceland state radio reported that the station, about 100 km. from Reykjavik, was attacked, probably by men with sledgehammers.

A whaling company employee told the radio station damage was extensive and costly machinery broken.

Two boats, half of Iceland's whaling fleet, were sunk in Reykjavik harbour Sunday and Canadian anti-whaling campaigner Paul Watson claimed the Sea Shepherd Conservation Society which he heads was responsible.

The ships, of 427 tons and 481 tons, were scuppered by sinking 14 bolts on each of their sea cocks, flooding their engine rooms.

Watson told Reuters in a telephone interview from Vancouver Sunday that a group of people who sank the boats — he refused to reveal how many there were — had already left Iceland. He did not mention the whaling station.

He said the sinking was aimed at enforcing decisions of the International Whaling Commission, which has banned commercial whaling.

Economic implications of break with Syria

Some British companies feel betrayed

LONDON. — For years, successive governments in London have urged British companies to move into new markets. Now, just when their efforts were beginning to pay-off, London has taken diplomatic action which could have serious economic implications. "The rug could be pulled from under our feet," said one British businessman.

British trade with Syria is not large by Middle East standards. Last year UK exports stood at \$105 million and imports totalled \$99m. Traditionally France, West Germany and Italy have played a far bigger economic role in Syria. Their combined exports last year stood at \$757m., and their imports from Syria at \$625m.

In recent years, however, British companies have worked hard to win business in Syria, despite a difficult commercial climate. Foreign exchange is in extremely short supply, and the heavy hand of a cumbersome bureaucracy makes business negotiations painfully slow and frustrating.

The sewerage and sanitation field is a major area where UK firms stand to lose heavily from the severance of diplomatic relations. With World

Bank support, Syria is on the verge of launching a series of major sewerage schemes to serve its cities. British consultants Howard Humphries & Partners have been involved in design and planning since the late 1970s. Only last week the firm won a contract worth nearly \$750,000 to undertake a sewerage study for Damascus. Howard Humphries has submitted a bid for a much bigger contract, to supply technical assistance to the Syrian consultants for the Aleppo sewerage scheme.

The firm is also bidding jointly with a British equipment manufacturer for an operation and maintenance contract for sewerage projects in the towns of Hama and Homs. Now, a question mark has been placed over all these contracts, said Howard McKenzie, a director of the firm. "It is a matter of great concern that a substantial market in sewerage and sanitation which seemed to be opening up, backed by World Bank financing, could be affected to the detriment of UK consultants and manufacturers," he said.

A more optimistic note was sounded by an executive from a British manufacturer of mining equipment who was in Damascus

negotiating a contract when London announced the cut in relations. He said that he was told by a senior official at an economic sector ministry that the political tension need not necessarily affect commercial links.

British shipping and airlines will certainly suffer from the break in ties, however. Damascus responded to London's move by closing its territorial waters and airspace to British shipping and aircraft. The volume of goods destined for Syria in British ships was limited. However, Syria is strategically located at the major air routes to the Gulf and the Far East. British aviation officials say that the Syrian action will add an expensive half hour to 75 weekly flights.

The Department of Trade in London stresses that no trade ban has been imposed, and says that individual companies may still promote their interests in Syria.

With its tight governmental control over most facets of the economy, however, Syria is a country where the distinction between commercial and political life is less clear than elsewhere. Political developments tend to have immediate economic repercussions. (London Observer Service)

'100s die in air, tank attacks'

Libya raids Chad

N'DJAMENA. — Chad said yesterday Libyan armed forces had killed hundreds of people in an air and ground attack on three villages in the north of the central African country.

A statement released by the office of President Hissene Habre said Libya had launched an "uninterrupted bombardment of the localities of Gouro, Oumanga and Gourma" with Soviet-made tanks and Tupolev 22 and Sukhoi aircraft.

It said shelling was continuing at the time the statement was issued in

the early afternoon, but did not say precisely when it began.

Several hundred inhabitants out of a population of more than 2,000 had "perished alive under flames" while the few survivors had fled into nearby mountains to face "famine, thirst and cold," the statement said.

In the statement, Chad compared the bombardment of the three localities with the "savagery massacre" at the French village of Oradour-Sur-Glane by the Nazis in June, 1940.

Sedki submits cabinet, keeps major ministers

Jerusalem Post Agencies
CAIRO. — New Prime Minister Atef Sedki, a political unknown chosen to tackle Egypt's pressing economic problems, lined up a cabinet team yesterday which he said would retain major figures from the previous government.

Earlier yesterday, Sedki pledged to maintain state subsidies on basic goods, but said he would ensure that only poorer Egyptians benefited.

In his first speech since his appointment as successor to former Premier Ali Lotfi, who resigned Sunday, Sedki said the state's committee on financial and economic affairs had recommended "a more realistic outlook to favour subsidies for low income groups."

Sedki said a report on subsidies by the committee he used to head would be given priority by his government, which would "establish integrated plans for all sectors of the economy."

Subsidies have proved a sticking point in negotiations between the Egyptian government and one of its two major creditors, the International Monetary Fund (IMF), which has called for their abolition. Cairo has refused to implement cuts which might provoke social unrest.

Sedki has written books on subsidies and inflation, and observers believe he commands enough respect even among opposition parties and has a chance to make a fresh start at putting the economy to rights.

Newspapers also said Sedki was an expert on the workings of Egypt's cumbersome bureaucracy as fiscal watchdog since 1981, and might try to streamline it by amalgamating ministries.

But the new Premier has made it clear yesterday that he was not about to create political waves, saying that the four Deputy Prime Ministers — the Ministers of Defence, Foreign

Affairs, Agriculture and Planning — would stay, as would the Interior and Information Ministers. He will announce his cabinet this evening.

The liberal opposition daily Al-Ahram yesterday published a post mortem on Dr. Lotfi's government, which it said had failed to right the economy.

It said Dr. Lotfi's 14-month term of office had been characterized by a "meteoric rise in prices, coupled with a wages freeze for public servants."

High inflation had forced the Lotfi government to accede to some of the demands of the IMF and its other main creditor, the World Bank, by raising petrol prices last July and implementing a staged reduction in the official exchange rate to bring it into line with rates on the open market.

Observers said Sedki's immediate task was to negotiate an immediate billion-dollar loan with the IMF, that will underpin the balance-of-payments deficit and a new five-year plan.

Official estimates of the country's foreign debt vary from \$35 billion to \$25 billion. Egypt is already \$4.3 billion behind in payment.

A spokesman for Egypt's official information agency said Sedki was in favour of IMF demands for a "realistic" exchange rate for the Egyptian pound against the dollar, which would bring the currency into line with its value on the open market.

The government has been losing revenue from currency exchanges, as more than \$2 billion were changed on the open market, where rates ranged from 1.88 to 1.92 Egyptian pounds to the dollar, compared to the official rate of 1.35 Egyptian pounds to the dollar.

Experts said bringing the official rate into line with market rates would generate funds for the public and private sectors.

Moscow flirts with capitalism

MOSCOW (Reuters). — A new Soviet law allowing a measure of individual enterprise within the framework of the Communist state is to be considered soon by the country's highest legislative body, Tass news agency reported yesterday.

It said the law on "individual labour" would be on the agenda of the Supreme Soviet when it meets later this month.

Laws ranging from information rights to state security are to be tabled over the next five years to formalize social changes being introduced by Kremlin leader Mikhail

Gorbachev. The legislature always unanimously passes measures put to it by the ruling Communist Party, but it was not clear whether the Supreme Soviet would approve the labour law at its coming session or pass it to an expert committee for further study.

Tass said that within the framework of the constitution, members of single families might be able to start small businesses, provided they did not hire labour. The details of the law were still not clear, Tass said, but it expressed confidence it would permit rather than stifle individual initiative.

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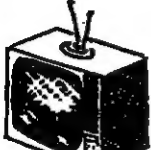
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HOME AND FOREIGN NEWS

Two held in Rafi Levy probe

Jerusalem Post Reporter
The Tel Aviv Magistrate's Court yesterday remanded two leading Ramallah residents, Anna Janho, 50, and her son Khalil, 33, in custody for nine days in connection with the investigation of Jerusalem District Commissioner Rafi Levy and an as yet unnamed Christian clergyman.

The remand of the two, on suspicion of bribery, came two days after that of Levy and the cleric. Jordanian law, which applies in the West Bank, permits a suspect to be held for 96 hours before being brought before a judge. The police claim the two had acted as go-between for Levy in dispensing special privileges to West Bank residents.

The Janhos, who are said to be good friends of Levy, are prominent business people.
Their attorney, Shlomo Tussia-Cohen, who is also representing Levy and the clergyman,

argued that any benefits the Janho's may have received came as an attempt by the authorities to offer compensation for the murder in 1978, of the head of the family, Abdul-Nur Khalil Janho. The PLO took responsibility for that assassination, claiming that he had favoured Jewish-Arab co-existence.

The elder Janho was a colourful character who, shortly after the Six Day War, appeared at the offices of *The Jerusalem Post* and announced that he had been the driver of the explosives-laden truck used to bomb the offices of its precursor, *The Palestine Post*, in 1948.

The Janho family has wealthy relatives throughout the Arab world and has maintained its contacts with the upper echelons of Israeli officialdom.

The court rejected an appeal by Tussia-Cohen to have Anna Janho held under house arrest due to ill health.



Anna Janho and her son Khalil, who were remanded in custody yesterday in connection with the case against Jerusalem District Representative Rafi Levy. (Israel Sun)

Iranians also shop for arms in UK

By HELGA GRABAM

LONDON. — While the revelations were pouring out last week about America's arms-for-hostages deal with Iran, a top level Iranian delegation is reported to have been in London negotiating an extensive arms deal with British suppliers.

Sources suggest that the discussions embraced a far wider package than the supply of spare parts already shipped secretly by the Americans to Iran by way of Israeli dealers. Tanks, heavy artillery and helicopters were included in the far-reaching negotiations, which were held with the knowledge of the Foreign Office.

The use of Britain as the avenue of the talks is significant. While relations between Iran and the United States were formally broken off during the hostage crisis of 1980, the Foreign Office has always taken care to keep open its lines of communication with Teheran.

Hostage release is only a small part of a much wider realignment of international relationships around Iran.

Over the past six months there has been a growing realisation that Iran may be winning the war with Iraq.

The secret negotiations led by former U.S. National Security Adviser Robert MacFarlane, the dropping of Sheikh Yamani as Saudi Oil Minister at Iranian behest, the initiative of Israel in supplying parts to Iran and the behind-the-scenes accommodation of the Foreign Office are all part of a general effort to come to terms with Iran's new power in the Middle East.

The West has not abandoned Iraq — Iran's protagonist in the Gulf War — yet. But in the "deep game" now being played, President Saddam Hussein is clearly at risk as a bishop to be sacrificed to satisfy Ayatollah Khomeini's war aims.

Syria's, Iran's ally, has become a sideshow, unable to exercise enough control to bring peace in the Lebanon or even, on the events of the last week, to ensure the release of hostages.

Intriguingly, the weapons on offer in London were not thought to be primarily offered for use against Iraq, but in Afghanistan by pro-Iranian rebels.

According to high-level sources, the aim was for the Iranians to supply the Afghan guerrilla forces with new weapons, thus putting new pressure on the Soviet forces and diverting the attention of the Iranian forces from the West to Iran's north-eastern border while a solution to the Gulf War was found in an internal Iraqi coup.

But between the idea and the reality falls the shadow. The U.S. hostages, who appear to be controlled by Iran rather than Syria, were not released prior to the U.S. election. So what went wrong?

Internal dissension within Iran is certainly one reason. The decision by Hojatoleslam Ali Rafsanjani, the speaker of the Iranian Parliament, to ridicule the visit by MacFarlane after it had been revealed in a Syrian newspaper is a sign of the opposition that any rapprochement with the U.S. arouses. MacFarlane actually seems to have been in Iran last July

at the invitation of the Iranians.

But the other reason is old-fashioned bargaining. In an important statement last Friday night, Rafsanjani, a leading advocate of a more pragmatic policy towards the West, declared that Iran would help with the hostages if the U.S. produced substantial new arms.

The arms, he said, had already been paid for under the Shah and were rightly Iran's. He also suggested that he could help the French if they repaid \$2 billion owing to Iran.

Although the price is high, particularly in view of the future over the dealing in America, the fact that Rafsanjani was prepared to talk of a deal is important.

While they do not hold complete power within Iran, the moderates have been able to effect the arrest last month of Ayatollah Hashemi, a radical cleric who has been most outspoken against any compromise with America.

Sensing victory in the war, however, Iran now feels in a strong position to negotiate.

After seven years of war, Rafsanjani asked rhetorically when he first revealed MacFarlane's visit let us see who is more desperate, we or the Americans. Their aim, he said, was to melt the "frozen ocean" separating Iran and the U.S. "Their immediate aim was to make us intercede in Lebanon and their further aim was the fostering of amicable relations and the golden vision which they had in mind."

Iranian hyperbole aside, it is clear that the U.S. had become worried

about Iraq's capacity to hold out.

Following the disastrous failed Iraqi offensive at Meheran in early August, a reputable Kuwaiti newspaper published an account of an alleged secret meeting in the south of France between MacFarlane and leading Arab Gulf politicians. The American message was that the Iraqi situation was sensitive and very worrying.

Shortly afterwards, U.S. officials began to approach important leaders of the conservative Iraqi opposition to Saddam Hussein requesting them to desist from opposing him in the meantime: within a year to 18 months, they indicated, the Iraqi President would be safely out of the game.

The Foreign Office discreetly persuaded British Petroleum to renew its interests in Iran. Within the past month, it has also attempted (apparently unsuccessfully) to contact the Kurdish Democratic Party, one of the Iraqi opposition groups which might be expected to play a key role in post-Saddam Iraq.

The Saudis have also been contacting various Iraqi opposition groups in exile with astonishing lack of circumspection.

Small wonder then that Saddam Hussein should some days ago have gone to the length of forcing down an aircraft carrying an Arab envoy bearing a letter from the Emir of Kuwait, a friend of Iraq, inviting Khomeini to an Islamic summit in Kuwait in January to discuss the Gulf War. Presumably Saddam felt uneasy enough to want to check the wording of the message for himself.

(London Observer Service)

Medics warn: Keep babies warm

By JUDY SIEGEL
Jerusalem Post Reporter

With the onset of winter, Kupat Holim Clalit is warning parents to keep their babies warm — in rooms heated to at least 22 degrees centigrade especially at night.

Ten cases of hypothermia among infants are reported by hospitals every winter. Parents, who tend to feel comfortable by moving from room to room or staying in a warm kitchen, sometimes forget that their babies may be cold.

The health fund advises hanging a thermometer on the wall in the baby's room, and checking to see that the temperature does not fall below 22 degrees, night or day.

If the baby's room is heated with a gas or kerosene heater, a window should be left open to let air in, as flames consume oxygen and poisonous gases may be

emitted by the heater. Once a day, the baby should be moved and the room aired.

Proper humidity in a heated room can be maintained by using a humidifier, placing a bowl of water near the heater, or hanging wet washing in the room. After a bath, in a suitably heated bathroom, the baby should always be dried thoroughly.

Kupat Holim Clalit also suggests that an infant's cot should not be placed along an exterior wall, where the air is colder.

Cold hands and feet do not necessarily signal hypothermia. But if the baby is listless, sleepy, refuses to eat, reacts slowly, has a weak cry and a body temperature below 36 degrees, the doctor should be called immediately, or the child should be taken to an emergency ward. Until help is available, keep the baby very warm.

Educational TV for the hard of hearing

By JUDY SIEGEL
Jerusalem Post Reporter

Starting Thursday, the hard of hearing will be able to follow five Educational TV programmes if their sets are hooked up to Teletext.

The service, which will provide subtitles on these programmes, is aimed at the 160,000 hearing-impaired people in Israel. Until now, there were no Hebrew programmes with dialogue they could follow.

In the service's first stage, the subtitles will be available on Teletext with some of the morning's school broadcasts. These include *Our Time* (for special-education pupils), *Fesh-*

bon Pashut (a maths programme), *Homeland* (for high school pupils), *Kesher Ve'Anan* (a children's programme on Jewish subjects), and *The Children from the Haim Quarter*.

At a later stage, Teletext subtitles will be broadcast along with afternoon programmes like *Zehu Zeh* and *Family Connection*. Educational TV is investigating the possibility of producing subtitles to accompany live programmes such as *A New Evening*.

ETV has acquired a mechanized translator that converts speech into written text.

The subtitles (which may also serve as a language-learning aid for

new immigrants by enabling them to see as well as hear dialogue) will be available on "page" 670 of Teletext.

In addition, Teletext produces a special programme for the hard of hearing. Called *Signs*, the show deals with medical technology and international news related to those with hearing problems, as well as reports on education, sport and culture. It appears on "page" 397, from 8 a.m. until midnight.

Teletext was introduced earlier this year by Educational TV to provide information, news headlines, TV games and other services to subscribers who have the required receiver in their TV set.

Herzog urges Australian Jews to make aliya

By GREER FAY CASEMAN
Jerusalem Post Reporter

MELBOURNE. — Israel has not yet scratched the surface of the economic potential of Southeast Asia and the Pacific, President Chaim Herzog told reporters travelling with him through the region. Speaking at the conclusion of his state visit to Australia, Herzog, now in New Zealand, said that Australia has an economic, political and aliya potential which Israel has tended largely to ignore.

During his stay in Melbourne, Herzog was briefed by business leaders on China's increasing interest in Australia and apprised of the possibility of Israel attaining a gateway to China via Australia.

Impressed by the warm reception accorded to him by the various Jewish communities in Australia, Herzog declared that nowhere in the world had he found such a warm, strong, vibrant and committed Jewish community.

All the representatives of Melbourne's five Zionist youth movements told him of their impending aliya.

Herzog issued an open call for aliya at all his public meetings with Jews. He had been hesitant at first, but was encouraged by Australian Jewry's frank and unabashed commitment to aliya.



President Herzog is welcome at Wellington Airport by New Zealand's Prime Minister David Lange (left) and Governor-General Sir Paul Reeves. Herzog is on a three-day state visit to New Zealand. (Reuter telephoto).

Home needed for collection of 100 biblical instruments

By YA'ACOV FRIEDLER
HAIFA. — A collection of 100 biblical musical instruments that has been exhibited in 17 countries over the past five years is about to return home, but may find itself homeless.

The instruments, modelled on biblical descriptions and archaeological finds, are to be stored in the cellar of the City Museum and shown occasionally, depending on exhibition space, the director of the city museums company, David Plonsky, said yesterday.

The collection, the life-long work of Moshe Gorali, who directed the Haifa music museum until his retirement, was originally based in the Struck home, named after artist Herman Struck. After drawing considerable attention from foreign museums, the collection was sent abroad.

At that time, Mayor Arye Gurel appointed a public committee to decide the future of the Struck home. The committee ruled that the building should be restored to its original state, fitting the artist's work. But no action has as yet been taken, committee member Reuben Hecht told *The Jerusalem Post*.

Meanwhile, the Struck home houses the Emil Musicology Library, which serves music students. To return the collection to the Struck home, the library would have to be done away with, Plonsky said.

However, the national Technology and science museum, Tech-nodes, has expressed interest in the collection. It has offered to allocate two halls in the old Technion building, provided funds can be found for their renovation.

The estimated cost of the renovations is about \$100,000 and two public spirited Haifa women, who prefer to remain anonymous, have taken it upon themselves to raise the sum.

Until then, however, the instruments are likely to stay in the cellar, with only an occasional airing in the City Museum's restricted exhibition space.

Citrus pioneer Monelise, 66

REHOVOT (Tim). — Thousands of mourners attended the funeral here yesterday of Shaul Monelise, 66, former dean of the Hebrew University's Agriculture Faculty and a leading expert on the cultivation of citrus fruit. Monelise died on Sunday at his home in Rehovot.

Born in Italy, Monelise was 19 when he immigrated to Israel. One of the first students at Rehovot's School of Agriculture, he taught there from 1952 and was dean from 1968 to 1971.

He specialized in controlling the development and quality of citrus fruit, and introduced the use of gamma rays to thicken the peel.

הכזה מן האל

Keeping it secret that they're Jews

During a six-week stay in Hungary, Zvi Shulman encounters Jews who live with reticence and fear

THE LARGE synagogue in Dohany Street is more beautiful and impressive than one would gather from written descriptions. The skilful and intricate designs are not ostentatious, nor do the benches seem misplaced among the imposing grandeur of what was the major synagogue for Budapest's large and successful Jewish community of about 90 years ago.

I was initially surprised when about 150 men and women attended the Friday night service in the last week of July. A second glance, which indicated that many of the congregants were tourists, only slightly diluted my pleasure.

In the front centre rows older men of the community sat, on the sides were the older women. Not long before, I was told, the elegant balcony area was used for seating; because of weakness of the structure and fear that the balcony might collapse, it was closed and repair work begun. In the centre, middle and rear rows of the Conservative synagogue men and women sat together; in those side rows were women, although a few spouses and boy-friends sat there also.

I had not expected to find a flourishing Jewish community in Budapest. Though I knew that it is the site of the only rabbinical seminary in Eastern Europe and that the Jewish population exceeds 80,000, I understand the effects of assimilation, the emigration of those for whom religious practice was important and the extended period of Communist antipathy to all religions. These factors made it unlikely that the Budapest Jewish community would be thriving.

Our companion, Esther, a young Jewish woman who has lived her entire 24 years in Budapest, introduced my wife and me to a middle-aged man we left. "He speaks Hebrew," she told us. We greeted each other, and then he said something in Hungarian to our friend and walked away quickly.

She explained that he was afraid to talk to us. I shook my head in slight disbelief, thinking that Edith, Esther's mother, opposed her daughter's accompanying us to the synagogue because of rumours that the police would be there. Esther disagreed with her mother and attended without fear. I was certain that the older generation's fear resulted from their age and memories of Fascist and Communist totalitarianism.

The younger people realized, as I did, that Hungary of 1986 was different; the leadership was less afraid of its citizens and wanted to

establish closer contacts with the West and develop an economy combining centralization and free enterprise. As Esther, her mother and other Hungarians told us, in every wall or fence there is a little gate. In Hungary, as opposed to other East Bloc countries, it was possible to find that opening.

I FORGOT about the episode almost immediately. After we left, I saw a young couple standing alongside the gate of the synagogue. I wanted to ask them about the Jewish youth of Budapest.

They were visitors from East Germany, non-Jewish, and readily told me about their lack of freedom, essentially their lack of freedom to travel. For several hours that evening and in subsequent days, we met with them and talked about our very different forms of government and ways of life. For all his bitterness at being forced to live in the German Democratic Republic, the man said he was proud to be an East German.

Two days later, Esther's mother told us that the man from the synagogue had called and apologized for not talking with us. He was willing, if we wished, to meet with us at her home. We readily consented and met with Lajos and his wife Edith the following evening.

He spoke Hebrew well, having learned the language while living in Eretz Yisrael during the year or two following his release from Auschwitz. Lajos explained his unwillingness to talk to us in public. "We are told not to talk to Israelis because anyone can be working for the Mossad (Intelligence Service)," he was especially careful because his son had left Hungary and illegally emigrated to Israel to live with his wife of only a few days. Lajos was questioned by the police and both parents, he said, were penalized for their son's transgression and forbidden to travel to the West for five years.

Before parting, he gave me an audio cassette which he asked that we give to his son. "Please write the address in Hebrew and do not pack the cassette with your luggage. Keep it in your pocket." I took the cassette.

Lajos told me that he attends Shabbat services regularly, celebrates the Jewish holidays and maintains a Jewish home. Yet, for more than 38 years he has worked in an office wearing only long-sleeved shirts so that his co-workers should not see the concentration camp number on his arm and know that he is Jewish. When Yom Kippur falls on a work day, he works so that others

should not know that he is Jewish. Although he works, he does not eat.

Edith told us that he exaggerated, and that there was no reason to fear being identified as Jewish, but she, too, was reticent about having others know that she is Jewish. Her ex-husband, Esther's father, is not Jewish. She does not have a mezuza on any door of her apartment, does not celebrate the festivals, and does not think it important that people know she is Jewish.

DURING OUR VISIT to the Museum of the History of Budapest, which ignores the history of the Jewish presence or the sufferings of its Jewish population during the Fascist years, my wife and I met an Israeli who was visiting Budapest for the first time. He has relatives living in the city and was enjoying, as we were, the many beautiful and interesting aspects of Budapest and the countryside.

"The Jewish community here is dead," he said. "Do you know that they do not circumcise the boys?"

We had not known. I was surprised. In the U.S., I knew of no situation in which a Jewish boy was not circumcised, no matter how irreligious the parents. Although non-Jews in the U.S. circumcise their male children in large numbers and in Europe circumcision is less widespread, I would have thought that the Jews of Budapest would continue to identify as Jews at least symbolically by performing the ritual circumcision. Yet, maybe the fear of being identified as a Jew is greater than I thought, even among the young.

I spoke to my cousin, a 40-year-old businessman who was born to Jewish parents in Budapest and continues to live there in relative wealth and security.

About circumcision among the Jews, he said: "Some do, most do not. But that is because in Hungary it is unusual to circumcise a child." On being Jewish in Hungary: "It is not important. In two generations, there will be no Jews here. Religion is not important, and there is much intermarriage. We don't think about religion."

Stefan, my cousin, married a non-Jew, and they have a daughter. His wife is pregnant now, and maybe the next time I see him, I will ask him what he decided to do with regard to circumcision.

OTHER THAN a tombstone with a Hebrew inscription in a museum or two in Budapest, it is difficult to comprehend that Budapest once had a large and dynamic Jewish com-



Rabbinical blessing in Budapest's grand synagogue in Dohany Street, built for a flourishing community about 90 years ago.

munity or that the Jewish influence on economics and culture at the turn of the century was great. The Jews were successful, assimilated and numerous. Their influence on daily life and culture was arguably greater than in any other major city of Europe, including Vienna and Berlin.

The only remnant of that past, other than the history told by the gravestones in the old Jewish cemetery, is in the Jewish Museum adjoining the Dohany synagogue. In one room are exhibits, the only ones we saw in Budapest, about the Fascist period, the concentration camps and the Budapest ghetto. In other rooms were candelabra, Tora scrolls, medallions and coins engraved with the likenesses of famous Hungarian Jews.

As I looked at the candelabra, a peasant woman entered, stood next to me and asked if the museum was open only to Jews. I said "No." She then said, pointing to herself and realizing I did not speak Hungarian, "Grossmutter - Jude" ("Grandma - Jew"). I smiled and watched her as she glanced quickly at the exhibits. "Beautiful," she said.

My cousins, Stefan's mother and aunt, were taken to Auschwitz as young women in 1944. They, among their immediate family, were the only ones to return alive. My cousins told me they regretted not going to Israel in those first years after their return, when it was still possible to leave the country. They were not convincing, yet they realized apparently that, notwithstanding the several hundred years our family had lived in Hungary and their successful careers and financial independence in Hungary, they felt like outsiders.

Possibly they believed it was a chance lost when they chose not to start a new life in a new country or that they had acted absurdly in re-

Unwelcome visitors

Ida Ritz

MY 16-year-old daughter spent her summer holidays in London's Stamford Hill area as the guest of my mother. One morning my mother went out and left her alone, after warning her not to open the door to anyone.

Someone knocked and she ignored the knock as instructed. The caller, whoever it was, was very persistent, so she went down to investigate and through the glass paneled front door saw two women, one black and one white. Knowing that her grandmother had been expecting a black lady to call earlier that day, and that that lady had not arrived, she assumed this was the expected caller, and opened the door.

"We noticed that this is a Jewish house," said the white woman, "and we thought that because of your religion you would feel particularly concerned about human rights. How do you feel about what is happening in South Africa?"

They talked at some length about apartheid, my daughter assuming that they would eventually ask her to sign some petition to the South African government. She felt uncomfortable at keeping them on the doorstep and asked them to come in.

From the South African issue it was a short step to discussing world peace, and they mentioned a passage in Isaiah on that subject.

Had she been brought up in a Christian country our daughter might have known exactly what was happening the minute she heard the word Isaiah, but since she was brought up in Israel, it rang no bell. However, being Beit-Yaakov educated, she wanted to look up any quotation at its Jewish source and in its proper context and turned to the bookcase to find a Hebrew Bible.

Up to this point the white woman had done most of the talking. But while searching the shelf our daughter overheard her black companion say in an undertone: "You have to be careful with this one," and while she had only been vaguely uneasy before, she now became extremely suspicious that they were missionaries.

THEY KEPT ON talking to her and cited some quotations from Daniel. Since Daniel talks about the End of Days, and the period of the Messiah and the interpretation given it by Christian theologians is very different from the way it is understood by Jewish authorities, her suspicions were confirmed.

"Do you know that there is something after Daniel?" they asked her. She nodded. Daniel is one of the last books of the Bible, and there is a wealth of post-biblical material to be

studied, but she realized that they were referring to the "new testament." They offered to read to her from the "continuation of the Bible." She refused, saying "My parents wouldn't be happy about it."

Then they said "O.K., we understand" and asked her if she believed in Jesus. She said "No" and they asked why not.

During the conversation they had commented on her unusual accent and she had told them that she was Israeli.

Now they suggested to her that when she returned home she contact "our people in Israel."

Had she got details of their Israeli representatives, we asked her when she returned. "No," she said, "I tried to talk as little as possible, and I felt that if asked for the address of their people they would insist on getting my home address and it would be unpleasant for me to refuse to give it. I really wanted to tell them to go, but found myself unable to do so, especially as they were being so nice."

They continued talking to her for an hour and a half, and just as they seemed to be about to go my mother returned home.

"You have a charming granddaughter," said they.

"We are Orthodox Jews, goodbye," said she.

Our daughter later learned that the pair of missionaries she had met were well-known in the district. In one household, or so the story goes, when they rang, the door was opened by the black charwoman. "Can't you see we are Orthodox Jews!" she is reputed to have said before slamming the door.

WHEN I LEARNED what had occurred, several things struck me.

First, my mother is still living in the area, in fact in the very house, in which I grew up a generation ago. I was never once approached by a missionary, not in the non-Jewish grammar school that I attended, not at university, not in the street, and certainly never in my parents' home. This despite the fact that my circle of acquaintances included quite a number of staunchly religious Christians. Now my daughter, when spending only a few weeks in London was the object of a serious missionary effort.

Secondly, why did they not come out directly with who they were? Why the roundabout, or should it be called dishonest, method of starting with the South African issue?

Thirdly, in the non-religious swinging atmosphere of London, why the apparent concentration on the Stamford Hill area, which has a large proportion of observant Jews and is Britain's main Hassidic centre?

And finally, and of main interest to us as Israelis, who and where are their "people in Israel?"

Soviet Jews in U.S. fight envy, aggression, loss of confidence

Boris Segal

A SOVIET-JEWISH emigrant's initial mood after leaving the Soviet Union is one of euphoria. The mood is intensified by the newness and the bright, colourful life of the great Western European and American cities with their bars, cinemas, night life, and especially the stores full of goods and products, which a Russian could buy only on rare occasions by paying speculative prices.

During this period of euphoria, which can last from a few days to several months, emigrants have a tendency to overestimate the advantages of Western life and to ignore its difficulties and problems. They rush to dress "Western style," buy a car (a status symbol in the USSR), and send pictures to the relatives and friends left behind.

The second stage, which I have called "emigration crisis," is produced by a confrontation with reality. The Soviet citizen is accustomed to receiving blessings from the state. When necessary, he importunes government officials or resorts to underhanded means, such as bribes. Thus the emigre is unprepared for the democratic reality of the United States.

During the process of adjustment to their new life, Russian emigrants constantly compare what they had "then" and "there" and what they have got "now" and "here". This comparison does not always come out to the advantage of the new country. Although on the whole the American standard of living is much higher than the Soviet, and an emigrant who gets a job earns relatively more than in the USSR, he often feels that he is in a worse position, since his status here is usually relatively lower compared to that of the American middle class. After satisfying his initial "consumer hun-

ger" the emigrant tries to get a good job that pays well in order to buy a house and start "a beautiful life." This, he finds, is not so easy.

Russian emigrants are often dissatisfied with attempts at helping them adapt to their new lives. In many cases, well-intentioned Jewish organizations understand little about the psychology of their clients; they offer financial support over a period of a few months and arrange language courses, but little is done to provide employment.

Emigrant dissatisfaction spreads to the American government and "the system" itself. Not realizing that the American government's power is much more limited than the Soviet government's, emigrants may write letters of complaint to senators and to the president. Some emigrants believe they are being pursued by the FBI or that they have been deceived and lured to the West by promises of "the good life" and then abandoned to their fate. Russian political emigrants are unhappy at the inadequate recognition given to their services; scholars and experts are incensed when American scientists and political circles disregard their opinion and knowledge even in "Sovietology," perhaps out of the difference of viewpoint between political emigrants and the American intellectual elite.

The absence of mutual assistance in the Russian understanding of this term is one of the features of the American lifestyle that is most striking for emigrants. Emigrants complain that Americans are unwilling to help them, for example, by calling

an influential person (as is usual in Russia) - the owner of a company or a politician - to arrange employment, help with obtaining a licence, etc. Some Russian emigrants believe that Americans are emotionally cold, cut off from each other, easy to get along with but difficult to make friends with. Most Russian Jews find it difficult to identify with the American Jewish community. Moreover, some exhibit anti-Semitic tendencies unconsciously absorbed in the Soviet Union.

In turn, traditional Russian Jewish passion, frankness, and tendency to sharp exchange is alien to most Americans, who regard such behaviour as rude and belligerent. Russian intellectuals recount with great surprise stories of conferences at universities and medical schools where no discussion took place. From a Russian point of view, Americans are too sensitive and do not tolerate critical remarks.

DURING THE MASS migrations from Russia before World War I, most emigrants came from the Jewish ghetto with little education or skills and willingly took any job. The present Soviet emigration is different. There is a significant group of professionals who occupied relatively important positions in the USSR. Arriving in the U.S. they must start from the beginning: professors, if they are lucky, find jobs as research fellows; experienced doctors must undergo re-training.

In the "proletarian" Soviet state the prestige of intellectual work is very high and the various titles and symbols of top positions are highly prized. For Russian emigrants it is humiliating to work outside one's field in a lowly position, and even more so when it is manual labour.

The younger, educated and energetic people strive to learn the English language quickly. In a number of cases there is a refusal (complete or partial) to speak the native Russian language and associate with their compatriots. In others the opposite tendency occurs: unconscious resistance to acquiring a new language, and reading only Russian literature. Language barrier and cultural differences contribute to

feelings of isolation from the mainstream of American society.

Emigrants experience feelings of worthlessness, inadequacy, difficulties in social adaptation, loss of confidence in one's sex appeal, etc. One can also find irritation, a form of displaced aggression, which is directed at the new country, the American lifestyle, and the American people who are accused of hypocrisy, selfishness, stupidity, and greed.

Relations among emigrants are ambivalent. On the one hand they identify with other "Russians" and associate with them, but on the other hand feelings of anger, envy, and hostility complicate such relationships. There is at times regression in the behaviour of formerly self-confident men who may begin to seek support from wives and parents. To overcome feelings of isolation and uncertainty emigrants sometimes try to bring over relatives and friends. Some lose hope, stop looking for work, and live off their spouse or on welfare. Another reaction to frustration is depression and auto-aggression. Though I have seen serious depressive reactions and several attempted suicides, an overwhelming majority of depressive reactions are transient and mild.

Many Americans are amazed at how quickly some of their Russian friends master English, take on an American lifestyle, find good jobs, get promotions, and buy houses. Thus, the present "third" wave of Russian emigration is somewhat better adjusted to the conditions of American life than previous generations of Russian emigrants. It is possible that in this respect it may even be superior to other ethnic groups of emigrants. The second

ANTI-SEMITISM - Racism and anti-Semitism in America have diminished over the last 20 years, yet extremist movements today are spreading their philosophies, sometimes violent, in new, sophisticated ways, according to an American Jewish Committee report.

The Jewish World page - which appears fortnightly - is now edited by Aryeh Rubinstein.



Dancing daughter of "Little Odessa" in New York - cultural differences can contribute to feelings of isolation. (Carl Glassman)

generation of Soviet Jewish emigrants is considerably assimilated. The above is an abridgment of an article that appeared in the March Midstream. The writer was professor and department chairman at the Moscow Institute of Psychiatry, and is now in private practice in New York, where he has worked extensively with immigrants from the Soviet Union.

Call to concerned Jews for the 31st Zionist Congress

JEWISH communities in some 40 countries throughout the free world are already preparing the 31st Zionist Congress that will convene in Jerusalem in December 1987.

The target date of the Congress has increased worldwide interest in the membership campaign now being conducted by the Organization Department of the World Zionist Organization in Jewish communities outside of Israel. The number of members in each Zionist organization determines the degree of representation it will have in the forthcoming Zionist Congress.

Prof. Izak Warszawski, head of the Organization Department describes the membership campaign, or *Mifal Haverut*, as a call to concerned Jews to "join in the historic process of the continuing redemption of our people by participating in its most democratic institution, the Zionist Congress."

Warsawski's department has published a pamphlet that is a guide to all those who have questions regarding their Zionist affiliation. The pamphlet answers such questions as "Who can join?" and "How does one apply?"

Basically, every Jew over the age of 18 is eligible for membership in any of the constituent organizations of local Zionist federations, or in the Zionist federation directly where that is applicable. Such membership entitles one to hold office in a Zionist

federation, and in WZO institutions. Prospective members are required to subscribe to the Jerusalem Programme, and to pay dues, either to the federation directly or through the Zionist organization which she or he joins. The Jerusalem Programme, adopted by the 27th Zionist Congress in 1968, affirms the centrality of Israel in Jewish life and calls *inter alia* for the ingathering of the Jewish people in Eretz Yisrael through Aliya from all countries.

The WZO, which has set a goal of 200,000 new members before the 31st Zionist Congress, is providing various information materials and audio-visual programmes in Jewish communities that are conducting membership campaigns. In the last membership campaign, in 1982, a total of 1,438,094 members from 34 countries, were counted.

It should be noted, however, that Israel citizens do not participate in the membership campaign since they are represented at Zionist Congresses on the basis of the strength of the various Zionist political parties elected to Israel's Knesset.

STAMP - Uruguay has issued a special stamp marking the 50th anniversary of the founding of B'nei B'rith in that country. The stamp is in three colours with two menorahs in the centre. Over 200,000 have been printed and are being sold all over the country.

CARBOSYLAN

Two capsules will prevent gas in the digestive tract.

ABIC Ltd.

Hadassah Medical Organization

Hadassah Jerusalem clinics, staffed by specialists in various fields of medicine, ARE NOW OPERATING IN TEL AVIV.

The Hadassah Medical Organization management has made it possible for members of the public residing outside Jerusalem to receive medical advice, treatment and follow-up, in an area nearer to their homes. Patients will be treated by Hadassah personnel specializing in various branches of medicine.

Visits to the clinic will be charged at between NIS 10 and NIS 17, depending upon the national tariff approved by the Ministry of Health. Patients referred by the various *kupot* will be accepted.

Hadassah Clinics: Beit Harof'im-Medical, 18 Reiness St., Tel Aviv, Sunday-Thursday, 2-5 p.m.

For appointments and information, please phone: 03-228812.

Patients wishing to be attended by a particular physician, may arrange this through the Private Medical Service (Shapir) operated by Hadassah.

Jerusalem telephone numbers: 02-446335, 02-422287.

Tel Aviv telephone number: 03-228812.

The Kings Hotel reigns for 30 years

By Margery Calsbean

TO BOTH Jerusalemites and visitors to the capital, the conservatory on the corner of King George and Ramban Streets is a landmark. The confused tourist, wandering with map in hand, quickly learns to recognize the hotel with the glassed-in garden patio.

The patio overlooking two busy streets provides a kind of two-way contact. Guests have a feeling of being outdoors, while they are fully protected from the elements. From the street the sight of the patio with its view of humanity at leisure in a garden setting, is a comforting relief from the urban bustle and bustle.

The landmark is part of the four-star Kings Hotel, currently celebrating its 30th anniversary. To passers-by, the building signifies little more than just another Jerusalem hotel. To members of the Amid family who own and operate it, the Kings Hotel represents the fulfillment of a Zionist dream.

Isaac Amid, one of the six offspring of David Amid, a Persian immigrant who invested his fortune in the venture, recalls that when the hotel was built, Israel had no tourist industry. Jerusalem then had only a handful of hotels. Today, within a one-kilometre radius of the Kings, there are more than a dozen major hostels.

David Amid came to the hotel

business with absolutely no experience. In Teheran, he was a textile importer who lived in a three-storey residence replete with servants. A proud Jew and a fervent believer in the return of the Jewish People to its ancestral homeland, he threw a huge party in celebration of independence. Not long afterwards, he made up his mind that he would resettle his wife and children in the fledgling state.

In 1950, he liquidated his assets, receiving far less for them than their true market value. There was no time — and no point in a Moslem country — to haggle over price.

From three storeys in Teheran, the family moved into three rooms in Jerusalem in the Geula neighbourhood. Hana Amid learned to make do without servants. Like her neighbours, she became an accomplished cook, achieving an incredible variety of gourmet dishes from an eggplant. It was a period of great austerity. Food was rationed and only infants were permitted the luxury of an egg. Another Persian family which came to visit, brought as a gift a single onion. It was received as if it were a golden nugget.

Between 1950 and 1953, David Amid looked around for something to do.

Jerusalem was like a village. There was a greater likelihood of getting involved in trade and commerce in Tel Aviv, he decided — and accordingly, he went there.

Today, one can drive the distance in less than an hour. Then it took considerably longer, and most people who went to Tel Aviv from Jerusalem or vice versa, usually stayed overnight. It was from his overnight sojourns that David Amid developed the notion of opening up a hotel of his own. He was thinking of Tel Aviv or Netanya.

When Amid's intention became known to Eliezer Kaplan, then minister of finance, Kaplan prevailed on him to build in Jerusalem. He brought Amid to the site on which the Kings Hotel stands today. Amid required little persuasion, but he had already uprooted his family once, and did not want to do so again.

THE SOPHISTICATED construction equipment which is commonplace in all building projects today was not in use in Israel 30 years ago. There was very little automation of any kind and most of the work was done by hand.

The 70-room hotel took three years to build. A year passed before the foundations alone were laid. Amid would have gladly imported some modern machinery just to hurry things along, but the Jewish Agency implored him to refrain.

As things stood, there weren't enough jobs for all the new immigrants. If he imported machinery, he would create even more unemployment. Amid complied with the re-

quest, but got little thanks or admiration for his selflessness.

Passers-by asked what madman was building such a large edifice where it was not needed. The end of King George Street was virtually the end of the city, and the gateway to the wilderness.

But Amid persevered. From the time that he arrived in Israel until the day that the first guest checked out of his hotel and paid the bill, David Amid did not make a single agora in this country. All he did was shell out.

An immigrant from the West would have been disillusioned. He would have packed his bags and taken his family to where opportunity showed a kinder face. Amid had faith and hope. In fact, towards the end of his lifetime, when he was once more a wealthy man, a worthy of Jerusalem, a member of the Board of Governors and generous benefactor to the Hebrew University, he wrote a slim autobiography which is titled *Faith and Hope*.

He had come here with five children. Shlomo, the sixth and the only sabra was born in 1953, three years before the hotel opened.

NINETEEN FIFTY-SIX was not the best year in which to open a new hotel in Israel. If tourism has plummeted in 1986 as the response to terrorism and unrest in this part of the world, thirty years ago war was even more effective in scaring off the few tourists who did venture into the

Middle East. Isaac Amid, still a boy at the time, remembers that although the hotel was not full, the majority of its guests were American tourists. When war erupted, they all scrambled to get home. It was a disastrous start for a new hotel.

As they finished high school, each of the Amid children had to decide if he would help his father in the hotel.

Asher, the eldest brother, had been his father's right-hand man from the very beginning. Avraham, the next in line, had studied economics for a short while at the Hebrew University, but had given up his studies to work in the hotel. Isaac too spent six months studying economics and political science before answering the call of family obligation.

Retrospectively he doesn't believe that any of them, except Asher, really wanted to work in the hotel. But it never occurred to them not to come to their father's aid. The fact that it was a family business helped it to stay afloat. The family could all take cuts in salaries. The same could not be expected of employees.

Asher, who is today the general manager of the hotel, went to England and the U.S. to study hotel management. Isaac studied in Switzerland and has served in every capacity from bus boy, kitchen-hand and waiter to manager.

Ya'acov, a younger brother, today in charge of finances, also studied in

Switzerland.

Shlomo, the youngest brother didn't go abroad to study. When his turn came, the Tadmor Hotel School was already in existence.

All five Amid brothers worked with their father in the hotel. Their mother and their sister Shachnaz, who is married to a Tel Aviv businessman, were the only members of the family not involved in the hotel's operations.

Four of the brothers are still running the hotel. Avraham, the second oldest, retired five years ago.

All five brothers, says Isaac, are good cooks. He remembers one Pesach when the chef's wife died on the eve of the festival. Getting another chef at such short notice was impossible. So Asher rolled up his sleeves, went into the kitchen and cooked for the whole week.

WITH UNCANNY foresight, David Amid decided in 1964 to enlarge the hotel. There was no logic to the decision. Tourism was still grossly underdeveloped and the hotel was seldom full. Nonetheless, he was determined to add two storeys and double the number of guest rooms from 70 to 140.

The turning point in tourism came three years later. In the euphoric aftermath of the Six-Day War, Jews and Christians flocked to Jerusalem. The hotel industry was thriving. The swell in tourism led to the construction of many additional hotels and

the expansion of existing facilities. The Kings Hotel once more expanded — again adding 70 rooms.

Isaac Amid is the first to admit that the Kings Hotel is not run according to the book. "We couldn't adapt everything that we learned abroad to Israel. It just wouldn't work here."

There is no strict division in management roles precisely because it's a family enterprise. It's the family aspect which brings back so many guests. There are some who have been returning every year since the hotel was first opened. They've made friends with the Amids and the anticipation of coming back to Jerusalem, carries with it the emotional warmth of visiting an extended family. In recent years, groups of Christian pilgrims have also discovered the Kings Hotel, and they too are delighted to come back to find familiar faces in an industry in which personnel rotate so frequently.

Most of the employees at the Kings Hotel have also been there for a long time — ten, 15, 20 years.

A third generation of the Amid family, David, the son of Avraham, has just completed a hotel reception course and is finding his wings not at the Kings Hotel but in another local establishment. Eventually, he will find his place in the family enterprise, but no pressure is being exerted on him. It's important that he gets to know the competition before he comes home to roost.

KINGS HOTEL
מלון המלכים







The Kings, when it was first opened (1956)

The Kings Hotel today

David Ben-Gurion with David Amid (on left), celebrating Teddy Kollek's selection to the mayorship, 1965, at the hotel.

Teddy Kollek and David Amid, founders of the Kings Hotel (1956)

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Diesenhau Travel, Tel Aviv
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Eged Tours, Jerusalem
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Fellowship Tours Inc. U.S.A.

Galilee Tours Ltd., Jerusalem
Tel. 02-231341

International Ltd. (Travel, Tours, Congresses), Tel Aviv, Jerusalem
Tel. 03-654541; 02-226415/6/7

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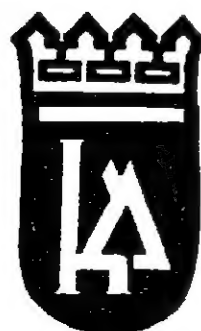
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**The Amid family
and the management of the Kings Hotel
thank all our patrons, business colleagues
and the our entire staff**

U.S. firms mull quitting Israel as 'frozen' shekel cuts into profits

By WALTER RUBY
Jerusalem Post Correspondent
NEW YORK — American Electronics Laboratories (AEL), the Philadelphia-based high-technology firm, is considering closing its Israeli subsidiary, Elisra Electronic Systems Ltd. because of heavy losses incurred over the last 12 months.

Elisra's problems are due to the linkage of the shekel to the dollar at a time when local production costs, consisting mostly of labour costs, have risen about 30 per cent in the past year.

Elisra isn't alone. According to American investors in Israel, a part of the American-Israel Chamber of Commerce and Industry, a number of other U.S. companies with investments in Israel face the same problem. They say that unless government policy takes measures that will allow exporters to dollar areas to make a profit, their own firms might be forced to pull out of Israel.

At a meeting of American investors in Israel in New York last week the Americans said in a statement: "It is likely that all exporters in dollars will soon be - if they have not already been - seriously hurt by the frozen shekel/dollar rate. Further, the advantages afforded by the protection given by the Free Trade Area Agreement with the U.S. will soon be dissipated as well."

Albert Sofia, chief executive officer of Kulicke and Soffa Industries Inc., a Philadelphia-based producer of semi-conductors, which is the parent company of Kulso Ltd., in Haifa, told *The Jerusalem Post*: "I know our own company will be threatened if this situation continues. We have sharply reduced research and development and laid off many workers, but we can't keep doing that since R&D is the lifeblood of any high-tech industry."

Soffa added: "Our concern is that we may get to the point where, through no fault of our own, we will be unable to make a profit in Israel. Due to rising labour costs and our inability to raise prices, our cost per worker is now 30 per cent higher than one year ago."

Soffa noted that part of the reason that such companies as AEL, Vishay Intertechnology Inc. and Kulicke invested in Israel was the "Zionist component" in their thinking. "But it is nonsense to believe that any of us will stay in a situation where we are losing money... Why should there be a special penalty visited upon those of us who are exporting in dollars?" he said.

"I am concerned that neither the government of Israel nor the people involved in Operation Independence fully appreciate the magnitude of this problem," Soffa said. "I think that by and large the average Israeli

is euphoric, because he is making more shekels than before. But this whole favourable situation will explode unless changes are made."

Minister of Economy and Planning Gad Ya'acobi, who was in New York last week for meetings with American Jewish leaders, promised something would be done to ease the problem of dollar-area exporters. The problem affects more than just the Israeli subsidiaries of American companies, but Israeli-owned concerns as well.



A quality-control inspector at Vishay Israel. (Rosenblum)

"I expect some action will be taken in the inner economic cabinet [consisting of Prime Minister Shamir, Deputy Prime Minister Shimon Peres, Finance Minister Moshe Nisim and Ya'acobi] within the next two weeks," Ya'acobi, however, said it would be "irresponsible" for him to speculate in advance as to what measures the cabinet will take on the issue. He noted however, that while the weakening of the dollar against European currencies has hurt Israeli companies that export in dollars, "Israeli exporters to Europe have been strengthened."

Concern over the future of Elisra was augmented last week by an article in the *Philadelphia Business Journal* that noted that AEL's earnings would be down sharply this year because of Elisra's losses. It quoted an unnamed securities analyst as saying that AEL's overall earnings were expected to decline from 60 cents a share a year ago to 45 cents a share this year as a "direct result of policies implemented by the govern-

ment of Israel under its economic stabilization program that has had a disproportionate impact on high tech companies that derive a proportion of their income from export sales."

The source said that while AEL expects the situation at Elisra to stabilize during the coming months due to "changes in conditions in Israel... the company is committed to disposing of Elisra."

In comments to *The Jerusalem Post*, Raymond Gutowski, vice president and controller of AEL, declined to comment directly on the *Philadelphia Business Journal* story, but remarked: "The reality is that a company can absorb such losses [as incurred by Elisra] for only so long before it has to take drastic action. The fact is that AEL has a subsidiary that is ailing."

Gutowski said Elisra had incurred a 31 per cent increase in labour costs during the past 12 months and expected them to rise half again over the next 12 months. He said Elisra, which had sales of \$60 million, almost entirely in exports, over the last year, had sharply reduced its work-force, cut back on R&D, and instituted tighter management policies. Nevertheless, Gutowski said, "Elisra's results this year will be significant losses in the \$5m. range. Elisra is a company that until recently had been very profitable."

However, Eli Zborowski, president of the American-Israel Chamber of Commerce, commented, "I honestly don't think anyone is going to pull out of Israel, and if they do, it will be because of [internal] economic problems and not because of the shekel/dollar tie-up. I suspect these companies are using the threat of pulling out to pressure the Israel government."

But, he noted, "there is also pressure on the government from Israeli companies for it not to take measures that would allow foreign companies to make all of the profits."

Cinemas opens as discotheque

By MICHAEL YUDELMAN

TEL AVIV. — The Cinema, said by its owners to be the largest discotheque in the Middle East, opened Thursday night after receiving its much-delayed operation permit earlier that day.

The official opening, scheduled for some weeks ago, was repeatedly postponed due to the many requirements for an operations permit. "After getting the permit from the city and the police and the handicapped association we found we even had to get the approval of the city garden-

Supersol offering a taste of America

By JONATHAN KARP

For The Jerusalem Post
TEL AVIV. — Israelis can now taste their chickens with American-made barbecue sauce, top their salads with American dressings and American cheeses and serve Hershey's chocolate for dessert, Supersol President David Weinsahl said at a press conference yesterday.

During November, Supersol and Hypercol stores throughout the country will stock more than 350 kinds of kosher American food products as part of their America Festival, Weinsahl said.

He said \$1 million of products had been ordered from the New York-based Waldbaum's supermarket chain and that 10 per cent of the merchandise was already on the shelves. In return, Waldbaum's has agreed to hold an Israeli Food Festival next February which will be supplied by Supersol.

Weinsahl announced that Waldbaum's was already selling Tuna, cheeses, adding that he had no doubts the American chain would sell more Israeli products in the coming year.

In addition to exposing Israeli taste buds to many types of cheeses, pasta, sauces and Chinese foods made in the U.S., Weinsahl said the festival would, if successful, "shake up the scene," meaning it would spur local food companies to create new and competitive products.

Because some of the American products are presently prohibited from being imported by Israel, Supersol had to obtain a special permit from the Ministry of Trade and Industry for the month-long programme.

Among the more familiar products are: Jello gelatin, Nestle and Hershey chocolate products, Duncan Hines cake and cookie mixes, Wheatena, Miller's cheeses, Hellman's mayonnaise, Good Seasons and Seven Seas salad dressings, A1 Sauce, Golden's mustard, M&T and La Choy Chinese foods, as well as assorted Waldbaum's brand-name products.

PETROLEUM — The United Arab Emirates has informed companies holding contracts to purchase UAE oil that it will cut crude oil production by about 100,000 barrels per day, sources in some of these companies said in the U.S.

Rumours the UAE would cut output have pushed oil prices up for the past several days and have fed speculation that other Opec members would also cut production as the cartel struggles to raise oil prices to its target of \$18 a barrel.

SKYLINE

Robert Rosenberg

The map of luxury in Tel Aviv

The competition among developers nowadays in that part of Tel Aviv bounded by Mograbi, the sea, the Yarkon River and the Haifa Road, is all about luxury.

Several projects promising to be the most luxurious housing in Tel Aviv have either recently come off the drawing boards or have been brought to local and district planning authorities for approval.

Only a few hundred apartments and a few thousand metres of commercial space are involved. But the money involved could amount to a lot more than \$100 million.

The most important of the projects are Shlomo Eliahu's City Garden tower, built on the site of the old city zoo next door to city hall; Dankner's three-tower project on the site of the former neighbourhood headquarters of the Noa' Haoved, just off Dizengoff on Arlozorov; the Basel project, which is being built by Arye Branovitch, on the site of the old Basel wholesale market in north Tel Aviv; and the \$60m. apartment complex planned as part of the Golda Centre opera house to be built behind the Tel Aviv Museum.

The developers involved in each of the projects are counting on sales of apartments for between \$2,000 to \$3,000 a square metre, or more. For comparison, the market value of standard, five-room Ramat Aviv apartments on prestigious Recanati Street are reportedly running at close to \$1,400 a square metre.

Eliahu's complex, which includes a tower and a massive commercial complex facing Ibn Gvirol next to city hall, is more than half way done. He has told "Skyline" that sales are proceeding well - indeed, so far he has not advertised, apparently relying on word of mouth as his key marketing tool - and according to real estate sources, the apartments are costing an average \$2,500 a square metre.

Dankner's project, which probably has the founders of Noa' Haoved turning in their graves, will have three seven-storey towers, with only 13 apartments in each tower, including one penthouse per building. Ten of the apartments, said a Dankner spokesman, have already been sold. The penthouses, which will be 200 square metres each, are for sale at a starting price of \$400,000.

Dankner is promising construction will take between two to three years, and will begin this winter. The company paid \$1.5m. in cash to Solel Boneh and 22.5 per cent of the profits from property sales for the land.

Cash-hungry Solel Boneh also won the important construction contract.

The Basel project, which was originally conceived by Shani-Diamant, which bought the property from the city in 1983, was recently acquired by Branovitch, who like Dankner is promising luxury.

Branovitch is financing his project with Bank Hapoalim, which is apparently ready to adopt a plan based on American-style construction financing in which each stage of construction is funded separately, rather than the whole package at the beginning. The Histadrut-owned bank's agreement would include guarantees for purchaser's payments, and a more general insurance that the project will indeed be completed.

The project is slated to include swimming pools; a private health club, 24-hour security, a large private park and other luxuries.

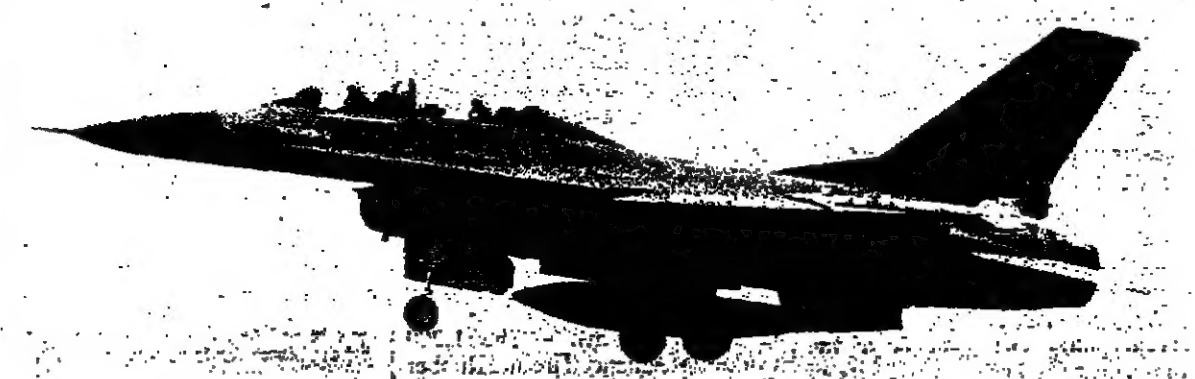
Perhaps the most significant project, its ink still not dry on the architectural plans, is the 90-apartment project planned to be built at the Golda Centre, which in addition to its opera house will also include an office complex.

The entire Golda Centre project is expected to cost on the order of \$60m. The actual opera house is a Tel Aviv Foundation project, which views the area of the museum, the library and the opera house as the focal point of the city's cultural life. Within walking distance are going to be the already existing Maim and Habimah auditoriums, as well as the new Cinematheque - for which Golda Hawn was here this week as part of her fundraising efforts on behalf of the foundation.

But the integration of housing and commercial development in the essentially public institution indicates that some original thinking has gone into how to erect the costly complex without depending entirely on public monies.

For example, according to city sources, the profits from the apartment houses should cover the costs of the underground public parking lot planned for the cultural complex.

The tender for construction has been issued. Solel Boneh is eager, as is Rasco. Several of the privately owned construction companies are studying the requirements. It will be one of the most prestigious - and potentially profitable - construction projects Tel Aviv has seen.



An F16B fighter: Solo development is too risky.

Team effort to design fighter

WASHINGTON (Reuter). — With the Pentagon dangling \$45 billion in contracts, five U.S. defence industry giants have formed two teams to compete in developing a new Air Force jet fighter for the 21st century.

The marriages of convenience are part of a new wave of cooperation by military firms spurred by rising arms costs and expanding horizons in technology. "Nobody wants to spend a billion dollars of his own money like Northrop did on the F-20 fighter and risk not finding any customers," a senior defence industry official explained.

"The costs are a lot higher on a brand new project like this, and splitting them up reduces the risk. You don't get as much if you win, but you don't lose as much if the other guy wins, added the official, who asked not to be identified.

Lockheed, Boeing and General Dynamics have joined forces against Northrop and McDonnell-Douglas in a competition to develop a new

advanced tactical fighter (ATF) for the Air Force.

The winners will share what Pentagon officials say could be at least \$45b. in contracts for 750 aircraft.

Each team will receive a fixed sum of \$691 million from the government to design and build two prototypes which will compete against each other over the next five years.

"Our teaming agreement says we are going to divide the costs as well as revenues into essentially equal shares," said Lockheed spokesman Jim Ragsdale.

One industry source close to the contest said it would probably cost "several hundred million," dollars more than \$691m.

Northrop's F-20 lost out to General Dynamics' F-16 last month in a battle to provide a new fighter to state Air National Guard units.

Northrop has yet to sell a single F-20 to the U.S. armed forces or foreign governments.

Pentagon officials said earlier this

month that Northrop and Grumman will compete against McDonnell-Douglas and General Dynamics in developing a new navy advanced tactical aircraft (ATA) attack jet for the 21st century.

The Navy refused comment and no figures have been released for that programme.

Other teams have formed to compete for a tilt-rotor aircraft and for an Army light helicopter. Members of the winning teams will compete against each other for production.

Defence Secretary Caspar Weinberger told defence contractors last Thursday that it was worth their risking spending a lot of their own money to win contracts like the ATF.

Lockheed has spent \$50m. on an advanced flight simulator which will be ready next July.

The "Weapon System Simulation Centre" will allow ATF test pilots to climb into experimental cockpits and push technology to the outer limits without leaving the building.

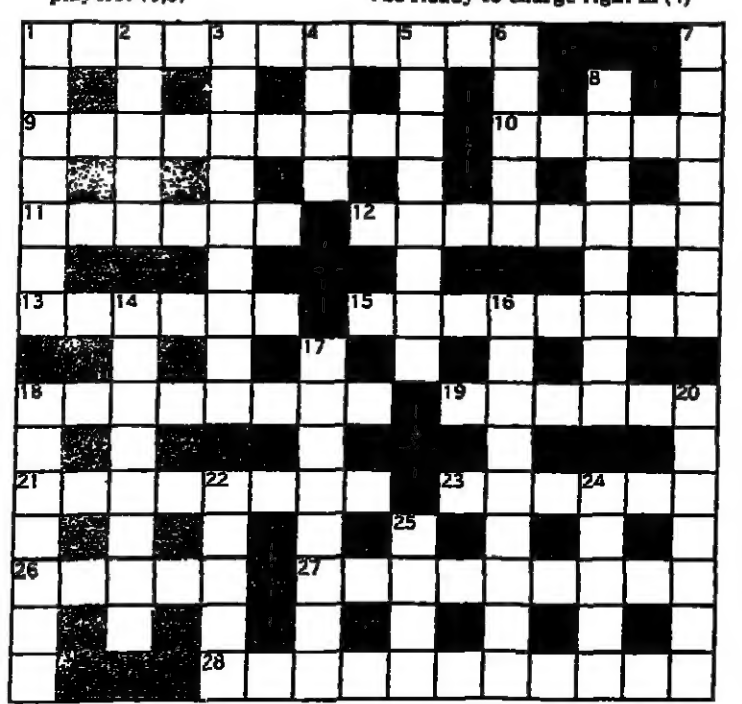
ONE-ON-ONE CROSSWORD

ACROSS

- 1 Gripping contest with Mr. Thorburn on cue, possibly (11)
- 9 One is glad to be so close (9)
- 10 Nothing repulsive about this material (5)
- 11 Daisy outside in the wind (6)
- 12 Most severe description of Tristram Shandy's creator by the way (8)
- 13 Cries the Spanish re-echo in the Aegean (6)
- 15 Priceless jewel in the crown fashioned by iron book (3-1-4)
- 18 Wherein members come to the aid of the party (8)
- 19 Unable to get on in a Swiss department (6)
- 21 Wild action in which a large number avoid coming to harm (8)
- 23 Lewis's tweedy partner (6)
- 26 Canon allowing middle men in a dwelling-place (5)
- 27 Saying something about a double rum and gin cocktail (9)
- 28 Ready cash for snooker players? (6,5)

DOWN

- 1 French painter showing bitterness after tea (7)
- 2 Figures one looks at (5)
- 3 Tired of trying to break the smoking habit? (6,3)
- 4 Eager for the return of prima donna (4)
- 5 Big cat sound as a bell at an Oxford college (5,3)
- 6 One infatuated with initial reason to swear (5)
- 7 Walled city bringing comfort in a small way (7)
- 8 It will come to the rescue, if able to anyway (8)
- 14 Elementary derivative of a dunce's hat, say (8)
- 16 No matter where it is, you'll find space there (2,1,6)
- 17 Hypothetical scholar (8)
- 18 Continued regardless, say, in Lancashire (7)
- 20 We hear Posey knows the author of 'The Beggar's Opera' (7)
- 22 Accommodate one way or another (3,2)
- 24 As a rule it's wet, we hear (5)
- 25 Ready to charge right in (4)



GENERAL ASSISTANCE

EMERGENCY PHARMACIES

Jerusalem: Allison, 10 Yeshayahu, 232553; Baisan, Salah Eddin, 272151; Shuf'at, Shuf'at Road, 610108; Dar Adawa, Herod's Gate, 282088.
Tel Aviv: Alva, 185 Dizengoff, 224717; Kupat Holim Clalit, 7 Amsterdam, 226142; Netanya: Hamaqam, 13 Sderot Weinman, 22985.
Haifa: Neve Sha'anana, 37 Hatichon, 235530.
Ra'anana-Mifal Sava: Mercat Golan, 188 Ahuzat, Ra'anana.

DUTY HOSPITALS

Jerusalem: Shaar Zedek (pediatrics, surgery, orthopedics, ophthalmology), Bilur Holim (internal, obstetrics, E.N.T.).
Tel Aviv: Roshan (pediatrics), Ichilov (internal, surgery, obstetrics, 24 hours a day, for information in case of poisoning).
Netanya: Laniado.

POLICE 100

Dial 100 in most parts of the country. In Tiberias dial 244444, Kiryat Shmona 4444.

FIRE 102

In emergencies dial 102. Otherwise, number of your local station is in the front of the phone directory.

FIRST AID 101

In emergencies dial 101 in most parts of the country. In addition:

Ashdod 41333 Jerusalem 623133
Ashkelon 23333 Kiryat Shmona 44334
Bat Yam 25111 Netanya 623333
Be'er Sheva 74787 Netanya 22333
Carmel 988555
Dan Region 781111 Pash Tikva 922111
Eilat 7233 Rehovot 461333
Hadera 22333 Rishon LeZion 942333
Haifa 612233 Safed 30333
Holon 38333 Tel Aviv 240111
Jaffa 850133 Tiberias 80111
* Mobile Interactive Care Unit (MICU) service in the area, around the clock.

"Ezer" — Emotional First Aid, Tel: Jerusalem 227121, Tel Aviv 251111/2, Haifa 67222, Be'er Sheva 418111, Netanya 35216.
Rape Crisis Centre (24 hours), for help call Tel Aviv 234818, Jerusalem — 248554, and Haifa 58701.

Jerusalem Institute for Drug Problems, Tel. 683828, 683902, 14 Bethlehem Rd.
The National Poison Control Centre at Rambam Hospital, phone 04628205, for emergency calls, 24 hours a day, for information in case of poisoning.
Ramat Hashikma Information Centre Tel. 03-453500, 453500 Sunday-Thursday, 8 a.m. to 8 p.m. Friday 8 a.m. to 3 p.m.

FLIGHTS

24-Hours Flight Information Service: Call 03-9712484 (multi-line). Arrivals Only (Typed Message) 03-381111 (20 lines)

QUICK CROSSWORD

ACROSS

7 Middle

8 Misfire

10 Country town

11 Spring flower

12 Part of the eye

13 Look pleasant

17 Ascend

18 Current of Ancient Rome

22 Virtile type (2,3)

23 Flightless bird

24 Team member

25 Plan

DOWN

1 Constellation

2 Void

3 Characteristic

4 Snake or lizard

5 Stem

6 Curtain

9 King of Mycenae

14 Bedcover

15 Fir cone (anag.)

16 Italian artist

19 Fried potatoes

20 Smudge

21 Adhere

Yesterday's Solution

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OLDFAATHERTHAMES
POME OAPPE
FILE SMALL ETNA
EASE LATIS
ROBBER SIBBCE
FO BG
SETTLE CHAFFED
HUEB HNOE
OYEB EBBY ARNE
PREBENTP
PROMISINGFUTURE
EAL EENN
DIBBIE DESCEND

ACROSS: 1 Lewis, 4 Torque, 8 Montage, 10 Brace, 11 Tier, 12 Stirrup, 13 Cut, 14 Parr, 15 Gale, 18 Bee, 20 Planter, 21 Scar, 24 Torch, 25 Compact, 26 Demote, 27 Girih.
DOWN: 1 Limits, 2 Wince, 3 Slag, 5 Oxbridge, 6 Quarrel, 7 Exempt, 8 Best, 18 Crochet, 15 Aaagran, 17 Spired, 18 Strick, 19 Crutch, 22 Chair, 23 Smug.

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MARKET PLACE

PINHAS LANDAU

'Small bang' echo

In the beginning, and for a long time after, there was chaos and the markets were void and without regulation. And the Bank of Israel said "Let there be order." And there was a minor improvement. And the Bank of Israel saw what it had done and it was mighty pleased to be extending its powers so far and fast. And it was evening and it was morning of the first round of reform.

If there was any creative energy in the Bank of Israel or the Treasury, or any genuine impetus to introduce market-driven change on the part of the banks, then today - or sometime soon - the Israeli share markets could be celebrating a real "big bang." But there isn't, so we have to make do with a "small bang" instead. Fortunately for the protectors of the ancient regime in the banks and even in the Bank of Israel, a small bang will also do the job of undermining their old domination. It won't be as quick or dramatic as a big bang would have been, but we are in a situation where one small pebble can touch off a landslide, because the whole system has been destabilized since January 1983.

As we noted yesterday, there is almost nothing easier than poking fun at the cumbersome efforts, circumlocuted language and officiousness that the heavy-handed regulators from the examiner of banks are bringing to bear on the investment services of the commercial banks. But the result of such ridicule would be to undermine the inherently valuable reforms being made, and that would have the effect of throwing out the baby with the bathwater.

For instance, the intention of the regulators to ban counselling-by-telephone, meaning that clients would have to physically appear in their bank branch to sign every order they gave after receiving advice, shows a complete ignorance on the part of the regulators of how any modern market works, even the Tel Aviv Stock Exchange. Orders are given and taken almost exclusively by telephone, with or without counselling. Physical presence is totally obsolete, and had it been made mandatory on bank clients it would have led directly to their moving to non-bank brokers beyond the central bank's clutches.

But these remain details, even if serious ones. The principle of the thing, that the long-running sure of investment counselling that was unprofessional, tendentious, self-serving and riddled with conflicts of interest needed reform, is more important than the numerous problems created by the tactics of jumping in with hob-nailed boots, used by the Examiner of Banks Department.

The banks will point to the cost of the changes, and to the inconsistencies and, on occasion, illogicalities of the new rules, and in many cases they have valid complaints, with the telephone business being a particularly outstanding one - so much so that it has already been eliminated. What they could justifiably claim is that the move from deeply entrenched chaos to highly detailed policing, overnight as it were, is a big wrench for them and their customers.

So it is. And who is to blame for the chaos of yesterday if not they themselves? The very worst thing about the new-style regulation is not that it is too much but that it is too late. But better late than never is certainly the motto here. The Bank of Israel has found its window of opportunity, when the banks are weak, and is utilizing it to the utmost.

But by the same token, the governor and the examiner of banks should remember that the window will soon close; and that if they are overzealous they risk provoking a backlash. They should therefore seriously consider two things: Will the non-bank brokers become subject to the same or similar rules? Because, if not, the banks will withdraw from the securities counselling business altogether and transfer their activities to other companies in their groups, out of reach of the central bank.

Secondly, if the whole investment community is to be subjected to this sort of stringent regulation, the drafters of the rules might want to ponder this paradox: How is it that the ineffective, tiny, isolated and government-dominated Tel Aviv Stock Exchange will be traded by brokers upon whom far greater regulatory demands are made regarding personal knowledge and access to information than any U.S. brokerage house demands from its employees, who trade infinitely larger and more sophisticated markets, on behalf of infinitely larger and more sophisticated clients?

Saudi put out feeler to Iran on oil price

BAHRAIN (Reuters). - Saudi Arabian King Fahd renewed a call for higher oil prices yesterday and was reported to have sent a special message to Iran voicing readiness to cooperate on Opec affairs, while the cartel scheduled new consultations.

Key ministers of the Organization of Petroleum Exporting Countries decided at the weekend to meet in Quito, Ecuador, next Friday and Saturday to discuss a Saudi call for prices to be set at \$18 a barrel. They are now around \$15.

Saudi Information Minister Ali Al-Shaer reported from Riyadh that

Cigarette crisis over
Dubek and customs reach an accordBy MICHAEL YUDELMAN
Jerusalem Post Reporter

TEL AVIV. - Dubek Ltd. will resume cigarette production today, following an agreement reached with the customs authorities yesterday releasing the raw tobacco the government had impounded.

However, Industry and Trade Minister Ariel Sharon said that he opposed Dubek's tobacco monopoly in principle and that any proposal for another cigarette plant would be examined without delay.

"It is intolerable that a company that has a monopoly over a product prevents the regular supply of that product," Sharon said during a tour of the Jordan Valley.

The agreement to release the tobacco was worked out at a meeting between Dubek's management and the Finance Ministry's Customs and VAT Department yesterday afternoon, during which Dubek agreed to

all the customs authorities' demands.

The officials had demanded that Dubek provide a detailed breakdown of the prices it paid for the various qualities and varieties of tobacco the company imported, particularly distinguishing leaf from stem tobacco. Lumping the two kinds together and presenting the customs with the average price, as had been Dubek's practice until now, may have been part of an alleged scheme headed by the company's managing director, Zorach Gehl to smuggle foreign currency abroad and evade taxes, the customs authorities maintain. Gehl is in police custody.

Dubek's management promised the customs authorities that it would cable their foreign suppliers for the price breakdown today and if the reply does not arrive within three days, Dubek would supply the breakdown itself.

An offer to compete

By YA'ACOV FRIEDLER
Jerusalem Post Reporter

HAIFA. - "We believe that the cigarette shortage resulting from the Dubek shut-down will boost our chances to import, in its entirety, a Dutch cigarette factory and inject some competition into the Israeli market," Zakaria Freilich told *The Jerusalem Post* last night.

Freilich, who imports cigarettes and runs a Haifa publicity firm, said the factory had a production capacity of 200 tons which translates into 200 million cigarettes a month. He estimated that was about 40 per cent of Dubek's capacity.

Freilich said a group of Israeli cigarette importers and foreign investors he leads had been trying to bring the factory on a turn-key basis to Israel for the past four years, but had met with little government encouragement. The present crisis, however, which has highlighted the problems of the monopoly has led to more "openness in the official attitude."

Yesterday Freilich confronted Industry Minister Ariel Sharon with his proposal offering to transfer the

factory immediately, and Sharon agreed to give it consideration.

Freilich said he would require a government licence and "approved enterprise" status, which would ensure government financing and tax exemptions, to bring the factory over and erect it in a development town. It would require an investment of about \$4 million.

The factory would employ over 100 workers from the outset, and the Dutch owner has agreed to send three or four experts who would provide the know-how-mix which is the most vital component.

Freilich said the factory he wanted to acquire was one of four small cigarette plants owned by the Dutchman. He said now the Dutch market was suffering from overproduction. When news reports reached Holland that Dubek shut down last week, the owner phoned and offered to transfer the factory immediately, Freilich said. He estimated that if available premises would be found it would take six months to start production, and about twice that long if they have to build a factory from scratch.

Alliance dispute concluded

HAIFA. (Jm). - The 1,200 workers of Alliance Tire and Rubber Co. returned to work this morning, after an agreement was reached late last night between workers representatives, the Histadrut and Koor Ltd., which owns Alliance.

Under the accord, workers will receive a 20 per cent pay increase, 10 per cent of it to be granted immediately and the remainder will be paid when efficiency at the plant has been brought up to acceptable levels. The workers agreed to more flexible work rules to improve productivity in exchange for a promise that no workers would be laid off.

The ban on lay-offs includes temporary workers, as well, under the agreement, will be given permanent status during this year and next. The status of the temporary workers were the main bone of contention between management and works committee that led to employees sanctions and finally to the 10-day lockout that ended yesterday.

Knisset approves gold-linked bonds

By AVI TEMKIN
Post Economic Reporter

Israelis will soon be allowed to invest in gold-linked bonds. The Knisset Finance Committee yesterday approved a NIS 5 million flotation of such bonds, with a maturity period of 10 years, by Five Jewellers Ltd., a company specializing in the manufacture of jewelry.

The bonds will be linked to the dollar price of gold on the London market and will yield a 2.5 per cent rate of interest. The idea of floating such bonds had been raised several times in the past, but had always been rejected because of conditions in the international gold market.

In its prospectus, Five J said it would offer the tender with a minimum price of par. The company said it would use the proceeds of the issue to finance the purchase of machinery and raw materials.

MK Dan Tichon (Liberals), who was the only committee member to vote against the flotation, said its approval opened the door for speculation on the price of gold. He based his view on the low nominal yield offered to investors. "We are simply not ready for this kind of speculation," he said.



Laissez-faire share counselling comes to an end today. (Israel Sun)

11th-hour changes in brokerage regulations

By PINHAS LANDAU
Post Finance Reporter

Last-minute negotiations between the Bank of Israel and the commercial banks have brought several modifications and delays in the rules governing bank investment services that go into effect today.

The most important change involved the commercial banks persuading the central bank to back down on its ban of share counselling by telephone. The banks claimed that active share traders operate almost exclusively by telephone, making the Bank of Israel's demand unreasonable.

According to Deputy Examiner of Banks Nurit Wahl, the other changes are mostly technical. Some of the information that the Bank of Israel had originally required the banks to provide will not be generally available until early next year. Those items have been dropped from the requirements temporarily.

The forms of investments to be classified as "high-risk," which will entail the client's signing of special forms, is still being debated. A final decision won't be made until next March.

Another modification of the generally tough Bank of Israel approach was to exempt meetings between bank officers and the investment boards of major non-profit institutions from all rules governing investment counselling. The central bank decided that the expertise of these investment boards and the fact that the regulations pertain to banking offices only, and meetings with the boards usually take place outside bank premises made the rules unnecessary in this instance.

Of more general relevance is the

relaxation of one of the high-risk categories. The new ruling considers high risk any company in whose securities in trading was suspended two weeks prior to a given investment-counselling session. In such a case, the investment counsellor is required to have his client sign extra forms to confirm that he is aware of this fact.

The original rules classified any security whose issuer made any report of the Securities Authority within the last month as high-risk. After protests from the banks, the central bank agreed that many reports to the authority are purely technical.

Wahl explained to *The Jerusalem Post* yesterday that the high-risk classification was something of a misnomer. "We want to create a category of situations where, for a variety of reasons, the investor should be made aware of special developments," she said.

Wahl noted that the Bank of Israel would like to see the new regulations extended to non-bank counsellors. She said the bank aimed to have its rules incorporated into the laws currently being drafted to govern securities trading and counselling. She admitted that the Bank of Israel had adopted a generally tough line, but contended that this had forced the commercial banks to organize their information and counselling services to an unprecedented degree.

The Examiner of Banks Department said Wahl would not object if the banks began charging for counselling services, over and above their commission charges on actual trades, when the new system becomes fully operative. This is scheduled to occur next March 1.

ROAD CLOSED. - The bridge at the northern entrance to Yavne has collapsed as a result of the recent rains. The road will be closed for several days.

Tel Aviv Stock Exchange

MARKET STATISTICS

Indicators:	121.46	-0.02%
General Share Index	121.46	-0.02%
Non-Bank Index	159.33	-0.41%
Arrangement	105.59	+0.22%
Insurance	181.39	-1.85%
Commerce, Services	201.44	+0.12%
Real Estate	201.02	-0.35%
Industrials	143.47	-0.51%
Textiles	200.91	-0.74%
Metals	159.02	-0.43%
Electronics	102.46	-0.04%
Chemicals	135.20	+0.01%
Industrial Invest.	134.92	-1.34%
Investment Cos.	154.28	-0.24%
General Bond Index	113.58	-0.02%
Index-linked Bonds	115.42	-0.02%
Fully-linked	117.43	+0.20%
Partially-linked	114.15	+0.01%
Dollar-linked Bonds	94.34	+0.03%
Short-term 0-2 yrs	111.43	+0.07%
Medium-term 2-5 yrs	112.73	+0.00%
Long-term 5+ yrs	107.70	-0.12%

SELECTED PRICE QUOTATIONS

Name	Price	Volume	%	1000NIS change
Commercial Banks				
(not part of "arrangement")				
Maritime	1084	2741	-2.3	
General non-arr.	21600	40	-1.8	
First Int'l	3610	2527	+0.3	
FIBI	4194	2554	+0.3	
Commercial Banks				
(part of "arrangement")				
IDB	80400	255	+0.1	
Union 0.1	89800	48	+0.2	
Discount	102800	88	-	
Mizrahi	33120	505	+0.2	
Hapoalim r	54800	604	+0.3	
General A	139400	17	+0.4	
Laumi 0.1	34800	966	+0.2	
Fin. Trade	46300	-	-	
Mortgage Banks				
Laumi Mort. r	6190	1635	-0.3	
Dev. Mort.	2480	1063	-	
Mishkan r	2470	1931	+1.2	
Tefahot r	14880	89	+2.5	
Meravi r	6100	171	-0.8	
Financial Institutions				
Agrie C	no trading	-	-	
Ind. Dev. DO	no trading	-	-	
Clal Leasing 0.1	17100	20	-0.8	
Insurance				
Ararat 0.1 r	1307	796	+2.1	
Haseah r	351	52291	-1.2	
Phoenix 0.1	742	15609	-0.2	
Hanishan r	7010	39	+1.0	
Menomah 1	2139	146	-0.2	
Sahar r	8470	355	-	
Zion Hold. 1	8600	-	-	
Trade & Services				
Mair Ezra	8676	1285	+14.5	
Supersol 2	7108	576	-0.0	
Delek r	3170	4181	-0.2	
Lightage	36	14559	-0.0	
Cold Storage	2200	342	+4.7	
Dan Hotels	1780	717	+2.0	
Yarden Hotel	2711	2	-3.8	
Hilon 1	25950	30	-0.8	
Team 1	1749	1232	+2.5	
Real Estate, Building and				
Agriculture				
Azoric	637	7617	-2.0	
Elion	489	15769	+1.8	
Africa Int. 0.1	37800	311	+1.6	
Deniker	4770	168	-	
Prop. & Bldg.	3051	4279	-	
Bayisda 0.1	4485	305	-0.3	
ILDC r	56800	469	+2.2	
Rasco r	no trading	-	-	
Mahadim	8380	231	+2.4	
Hadarim	1444	1559	-	
Industrials				
Dubek b	3450	936	-1.6	
Pri-Ze 1	no trading	-	-	
Sunroest	9950	207	+1.0	
Elita	16800	146	+0.3	
Adgar	589	4581	-1.0	
Argaman r	no trading	-	-	
Delta G 1	2854	1621	-2.4	
Urdan 0.1 r	6595	573	-5.5	
Eagle 1	13800	108	+0.7	
Polgat	3480	408	-0.3	
Schoelleria	14000	41	-	
Rogovin	3080	573	-1.8	
Urdan 0.1 r	6595	573	-5.5	
la. Can Co. 1	2420	2350	-1.3	
Zion Cables	2625	1252	-	
Pecker Steel	10560	188	-	
Elbit	412000	48	-	
Elron	328850	34	-1.2	
Art	30750	119	-	
Clal Electronics	6200	1331	-	
Spectronic 1	1880	636	-0.5	
T.A.T. 1	3901	250	-	
Agan 5	895	2302	-	
Ackstein 1	17000	151	+1.2	
Apex 1	17000	151	+1.2	
Alliance	2800	346	-	
Dexter	3840	52	-	
Fertilisers	9000	62	-5.7	
Haifa Chem.	305	14660	-2.5	
Teva r	7620	1974	-	
Dead Sea r	4670	2308	+0.4	
Petrochem.	556	18967	+0.9	
Nuca Chem.	6900	515	-	
Frutaron	15400	64	-1.9	
Hedera Paper	251900	57	-	
Central Trade	7900	173	-1.5	
Koor p	750000	0	-	
Clal Inds.	1385	10464	+1.4	
Investment Companies				
IDB Dev. r	4680	3637	-0.1	
Wolfson 1 r	3320	1736	-0.0	
AFK 1	230	857	-0.4	
Gahelot	1329	4	+0.9	
Israel Corp. 1	8670	463	-0.8	
Wolfson 1 r	132000	1	-	
Hapoalim Inv.	5780	579	-0.4	
Laumi Invest.	no trading	-	-	
Discount Invest.	2715	11982	-0.9	
Mizrahi Invest.	15000	53	-	
Clal 10	850	5444	+1.0	
Lendecor 0.1	9000	49	-0.0	
Pama 0.1	9000	49	-1.9	
Oil Exploration				
Pet. Oil Expl.	17850	62	+5.0	
J.O.E.L.	3365	2082	-	

HADASSAH MEDICAL ORGANIZATION
JERUSALEM
TENDER

Operation of Car Parks - Hadassah, Ein Kerem

- Bids are invited for the operation of the car parks at the Hadassah-Hebrew University Medical Centre, Ein Kerem.
- Prospective bidders should contact the office of the Deputy Director-General of Hadassah, Ein Kerem, Sunday - Thursday, 8 a.m. - 12 noon, in order to obtain the tender documents.
- A non-refundable charge of NIS 250 will be made for the tender documents.
- Bids should be submitted to the office of the Deputy Director-General on the form provided, by November 25, 1986, in a closed envelope, which should be marked "Tender - Running Hadassah Medical Centre Car Parks."
- Only bids submitted by those with proved experience of running car parks, and who meet all the requirements listed in the tender documents, will be considered.
- No undertaking is given to accept the highest or any bid.

FINANCIAL DATA
ISRAEL, EUROPE, U.S.

ISRAEL MONEY MARKETS

SHEKEL INTEREST RATES
PRIME BORROWING RATE: 1.58% per month
Unlinked Deposit (Annual Rates)

	Last Updated	Temp	Pakam 7-Day	Pakam 30-Day
LEUMI	10.11	7-16.00%	8-16.50%	8-19.25%
HAPOLIM	29.10	10-17%	11-17.00%	12-18.00%
DISCOUNT	17.10	8-16.50%	8-17%	14-19.00%
MIZRAHI	8.5	8-16%	8-15%	8-17%
FIRST INT'L	17.10	10-17%	11-17.20%	13-19.50%

Rates vary according to size of deposit.
(Temp: demand deposit paying daily interest.
Pakam: fixed-term deposit available from 7 to 59 days.)

PATAH - FOREIGN CURRENCY DEPOSIT RATES
(November 10)

	MINIMUM DEP	3-MONTHS	6-MONTHS	12-MONTHS
USD (\$100,000)	5.375	5.375	5.500	5.500
STG (100,000 pounds)	9.625	9.500	9.625	9.625
DMK (100,000 marks)	3.750	3.875	3.875	3.875
SFR (50,000 francs)	7.000	3.125	3.125	3.125
YEN (3,000,000 yen)	2.875	3.000	3.000	3.000

Rates vary according to size of deposit and are subject to change.

SHEKEL FOREIGN EXCHANGE RATES (November 6)

		CHEQUES AND TRANSFERS		BANKNOTES		Rep. Rates
		Buy	Sell	Buy	Sell	Buy
Currency basket	1	1.4850	1.5040	—	—	1.4838
U.S.A. Dollar	1	1.4877	1.5063	1.46	1.53	1.4865
Deutschmark	1	0.7254	0.7364	0.71	0.76	0.7176
Pound Sterling	1	2.1933	2.1661	2.09	2.19	2.1539
French Franc	1	0.2224	0.2252	0.22	0.23	0.2221
Japanese Yen	100	0.9152	0.9267	0.90	0.94	0.9231
Dutch Florin	1	0.6424	0.6510	0.63	0.66	0.6446
Swiss Franc	1	0.8710	0.8819	0.85	0.90	0.8745
Swedish Krona	1	0.2128	0.2155	0.21	0.22	0.2144
Norwegian Krone	1	0.1984	0.2008	0.19	0.20	0.1989
Danish Krone	1	0.1927	0.1932	0.19	0.20	0.1933
Finnish Mark	1	0.2993	0.3031	0.29	0.31	0.3007
Czechian Dollar	1	1.0726	1.0890	1.05	1.10	1.0760
Australian Dollar	1	0.9611	0.9711	0.91	1.00	0.9670
S. African Rand	1	0.6568	0.6650	0.43	0.52	0.6600
Belgian Franc	10	0.3476	0.3519	0.34	0.36	0.3510
Austrian Shilling	10	1.0312	1.0441	1.01	1.09	1.0356
Italian Lira	1000	1.0469	1.0630	1.03	1.08	1.0460
Jordanian Dinar	1	—	—	4.08	4.33	—
Egyptian Pound	1	—	—	0.76	0.81	0.7680
	1	1.5189	1.5379	—	—	1.5270

THE JERUSALEM POST

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Europe acts but we connive?

THE initially reluctant European Community yesterday decided to impose sanctions on Syria for its pivotal role in the plot to blow up an El Al airliner after take-off from Heathrow airport.

From now on Syria's civilian aircraft, used in the past to transfer terrorist weapons, will be closely monitored in Europe, and the activities of its diplomats will be restricted.

Most important, perhaps, no new arms will be sold by European states to Syria, the proven sponsor of terrorism.

Britain, which has been pressing for such sanctions, should be satisfied. So should the U.S., which has taken the lead in the fight against state-sponsored terrorism, even to the extent of bombing an Arab state, Libya, that is a self-proclaimed champion of this form of unlawful warfare. But the loudest round of applause for the EC's action could be expected to come from Israel.

The first target of Palestinian terrorism based in Arab lands, Israel has never ceased urging the Free World to stamp out this threat to the peace of the world.

Yet if *Newsweek* magazine is to be believed - and supporting evidence suggests that it is - Israel itself has willingly served as "middleman" in an American-approved deal to supply U.S. arms to Iran in return for the release of American hostages kept by Iranian-sponsored Shi'ite terrorist kidnappers in Lebanon. The freeing of David Jacobsen from his captivity nine days ago was a product of this deal.

Moreover, it turns out that both the U.S. - or more precisely one faction within the Reagan administration - and Israel, view this arrangement in long-range strategic terms, and not as being confined to the matter of the hostages. The idea seems to be that Iran, nearing as it does the end of the Khomeini era, may be won back to a measure of mutually beneficial pragmatism by the application not of the stick, but of the carrot.

The arms supplied to Iran, so it must be assumed, will not decide the outcome of the Gulf War, but they will help the Iranian forces of moderation - including the army - gain the upper hand at home when the Imam leaves the scene.

A neat argument; but does it hold water? Compared to the monomaniacal Islamic expansionism of Khomeini - who has been "dying" for nearly a decade now - Hafez Assad may be the very model of an enlightened modern statesman. Not only Jordan but Syria, Iran's ostensible ally, quakes at the prospect of an Iranian victory in the war. Such victory is largely held back by the shortage of spare parts for U.S. weapons in the Iranian armory.

That shortage is to be reduced by the concerted action of the U.S. and Israel.

In the meantime the U.S. and Israel have done precisely what they tell France would be a crime for it to do; sell lethal arms to a terrorist-sponsoring state. Premier Jacques Chirac may well wonder, especially now after the EC's decision, what sort of double standard it is that prevents France from trying to obtain the release of its own terrorist-held hostages and some immunity for itself from terrorism, by cutting a deal for the supply of arms to Syria?

The worldwide struggle against terrorism has taken a severe beating, and the U.S. and Israel have both put themselves in an invidious position.

Israel's responsibility for the Iranian affair may even have been graver than America's. On numerous occasions in the past this country has done Washington's "dirty work" for it in far-off lands. It has done so not merely because there was financial profit in selling arms to American-backed regimes, but because refusing to do it, so it was explained, would have cost Israel dearly in America's friendship. On this occasion, apparently the U.S. did not need to bludgeon Israel, nor even persuade it, to do its bidding.

The initiative may have been all Israel's own. And this despite the fact that the hostages whose liberation was the immediate motive for the Iranian deal did not include any of the Israeli soldiers that must still be presumed to be held hostage in Lebanon.

The government has some explaining to do.

VANUNU

(Continued from Page One)
been abducted at sea. He had then been conveyed to Israel aboard an Israeli naval vessel.

Observers noted that in seeking clarification, Squire had bypassed normal diplomatic channels. Such a course would have required him to apply to the appropriate department and division heads in the Foreign Ministry. Instead, he went straight to the political director-general.

Observers thought that Squire may have gone directly to Beilin in the knowledge that he is Foreign Minister Peres's closest adviser, and that Peres, together with Prime Minister Shamir and Defence Minister Rabin, makes up the triumvirate that determines policy on such sensitive matters.

It is understood that Beilin assured the British ambassador that he would pass on his request for clarification to the appropriate quarters and that Israel would respond in due course.

Observers suggested that the British demarche confronted Israel with a potentially embarrassing set of alternatives: either to rebuff the request effectively with some vague generalities, which would leave the British dissatisfied; or to provide them with detailed answers, which could indicate Israeli culpability under either British or international law.

The British move came as pressure increased on Whitehall to launch a full inquiry into Vanunu's mysterious departure from Britain. Two Conservative MPs, Dennis Walters and Anthony Beaumont-Dark, yesterday renewed their calls for a full probe, submitting urgent motions for discussion when the House of Commons reconvenes tomorrow.

But Whitehall sources told *The Jerusalem Post* yesterday that the lack of official records did not necess-

arily prove that Vanunu had not left the country legally. Non-EEC country passport holders fill in a white slip on entering the country. *The Post* was told, and that slip is stored in a computer for three months or so. But the Home Office system is far from comprehensive, and a tourist might well leave the country without that fact being recorded and matched up with his entry card.

Israel's denial notwithstanding, there were further reports in the British press yesterday of a telephone conversation on September 21 between then prime minister Shimon Peres and Prime Minister Margaret Thatcher, in which Peres had advised Thatcher of a planned Mossad operation to capture Vanunu.

One report of the Peres-Thatcher phone call, in *The Daily Telegraph*, quoted "sources close to the Israeli government." Whitehall sources told *The Post* yesterday that the feeling prevalent in British government circles was that Israel would not have been so stupid as to abduct Vanunu from British territory, particularly since Britain has emerged, since the Hindawi trial last month, as Israel's staunchest ally in Western Europe.

Police Inspector-General David Kraus confirmed yesterday that Mordechai Vanunu is being held in a prison belonging to the Prisons Service.

Kraus told reporters that the request for Vanunu's arrest was signed by a senior police officer. Itm adds that Vanunu was at first held under administrative detention and his arrest warrant was signed by a police sergeant 48 hours after he was brought to Israel.

When the 15 day-detention ended it was extended by a judge for another 15 days. A further extension of his remand is due soon, according to Itm.

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INITIATIVE FROM NICARAGUA

Ignacio Klich

FOR the first time since the Sandinistas (FSLN) came to power in July 1979 - and broke off diplomatic ties with Israel three years later - a Nicaraguan delegation is due to tour the country shortly. Led by Gloria Cardenal, the Agrarian Reform Research and Study Centre's deputy director, the group will visit kibbutzim and distribution cooperatives, according to Avraham Rosenkier, international secretary of Mafam who issued the invitation.

Judging by the past two years' public statements and private intimations that the FSLN does not oppose Israel's existence and is interested in building up contacts with Israeli political forces - especially those opposed to the country's role as a Washington proxy in Central America - an initiative of this kind would seem long overdue. Two years ago, Knesset member Chalka Grossman led a Mafam delegation to Managua - the FSLN's first Israeli guests - and offered the Nicaraguans agricultural and cooperative training at institutions of the Mafam-affiliated Kibbutz Arzi federation. Other Mafam contacts with leading Sandinistas have taken place at Socialist International gatherings. At one encounter, Nicaragua's ambassador to Bonn expressed interest in an invitation. Earlier this year, Herty Lewites, a member of President Daniel Ortega's entourage during his U.S. visit, sought a meeting with an official of a major American Jewish organization that has opposed the equation of Nicaragua's anti-Israeli foreign policy with anti-

Semitism, and affirmed that the FSLN would further relations with Israeli parties such as Mafam.

The most outspoken Israeli critic of Washington's Nicaragua policy and of Jerusalem's role within it, Mafam has been advocating a more selective weapons-export policy to avoid diplomatic reverses as that suffered in Managua. Four years ago, Labour's unwillingness to give undivided support to a Mafam initiative killed a bill introduced by MK Dov Zakai that would have subjected military sales to Knesset Foreign Affairs and Defence Committee scrutiny, and banned them to certain countries. Mafam has also played a part in deflating the claims by supporters of U.S. military aid to the Contras who blame Sandinista anti-Semitism for Nicaragua's stand on Israel-related issues, and the PLO for the alleged anti-Jewish bug.

Contrary to such claims, Managua's anti-Israeli foreign policy is largely a product of the Begin government's military aid to the Somoza regime, and Reagan's self-proclaimed efforts to make the Sandinistas "cry uncle." If Israel's weapon-transfers up till the eve of the unpopular Anastasio Somoza's downfall played into the PLO's hands, Washington's economic aid cut-off in 1981 heightened Managua's dependence on Libyan assistance.

WHILE a visit, even a low-level one, is something new, no resumption of Israeli-Nicaraguan diplomatic links can be foreseen before a quick pro quo, including the discontinuation of Israel's part in U.S.-backed plans to destabilize the Nicaraguan government, is found. Circumstantial evidence linking Israel-originated weapons and instructors for the Contras suggests that, official denials aside, Israeli cooperation in such plans did not cease during Shimon Peres's premiership - even if the well-documented Contra outrages against civilians would put those who facilitate their activities in the category of aiders and abettors of terrorism. Despite the fact that this elicited not as much attention as similar activities on the part of Peres's Likud predecessors, last year's publication of a Honduran end-user certificate for 2,000 rocket propelled grenades (RPG-7) from Israeli Defence Ministry stocks to a country that hosts the RPG-equipped Contras, and has acted as a conduit for their supplies, is not unique. The SAM missile used by the Contras to shoot down a Nicaraguan helicopter in December 1985 could also have come from Israel's captured PLO weapons, according to London- and Washington-based experts. (Under Likud governments, Contra leaders Enrique Bermudez, Edgar Chamorro and Eden Pastora admitted to having received arms from Israel.)

In addition, last September's talks between Honduran Foreign Minister Carlos Lopez Contreras and De-

fence Minister Yitzhak Rabin centred on a proposed sale of Kfir planes to Tegucigalpa. Honduran interest in the Kfir goes back to the little-noticed visit to Israel, in July 1982, of its chief of staff, General Gustavo Alvarez Martinez, and Ariel Sharon's Honduras swing five months later. Even without Kfir, the Honduran air force is considered Central America's most impressive. Thus, the replacement of its Israeli-supplied Super-Mystères with more modern planes is not only connected with increased Contra activity but is also meant to dissuade Nicaragua from dealing with their Honduran bases as Israel does with Palestinian facilities in Lebanon.

Insofar as the Kfir includes U.S.-made components and Honduras lacks cash, no such order could be bagged without Washington's green-light and financing. If, as has been reported, the administration agreed to grant both during Rabin's visit to the U.S., should President José Azcona's government not decide in favour of the American F-5, also being offered, Israel can be expected to take a more active role in providing friendly U.S. Congressmen to support Reagan's anti-Sandinista drive. According to a representative of one U.S. Jewish organization, Israeli diplomats discreetly encouraged American Jewish bodies to do so during this year's campaign to secure \$100 million for the Contras.

Irrespective of whether the Israel Aircraft Industries team going to Tegucigalpa later this month man-

ages to sway their hosts to buy Israeli arms for Honduras are in sharp contradiction with Jerusalem claims of support for a "Latin-mediated peace in Central America." Foreign Minister Yitzhak Shamir's letter of July 31, 1983 to the Contra countries endorsed four principles, including the "freezing of the level of armaments." Equipped with helicopters and transport planes, the Nicaraguans had sought to avoid provoking the U.S. with the introduction of MiG-21s. With Israel and the U.S. taking the lead in furthering Honduras' aerial superiority, Nicaragua will have to look into ways of narrowing the gap. Rather than a freeze this means an escalation of the arms race.

Against this backdrop, a Nicaraguan visit can only be a feather in Mafam's cap, and, perhaps, a step on the long road to a resumption of relations, too. Foreign solidarity having always been crucial to the Sandinistas, the most they can hope for is that such gestures, if sustained, will make it more difficult for Reagan to get U.S. Jewish organizations to campaign for Congressional approval of plans to destabilize Nicaragua. In anticipation of larger aid-requests for the Contras, a Washington-blessed U.S. Jewish delegation, led by a former presidential adviser on Jewish affairs, will, not surprisingly, be going to Central America soon.

The writer, a researcher at St. Antony's College, Oxford, specializes in Israeli-Latin American relations.

READERS' LETTERS

To the Editor of *The Jerusalem Post* Sir, - Every modern-thinking person must be an opponent of apartheid, but after reading "A hard look at apartheid" (*The Jerusalem Post*, October 30, 1986) by Joe Franklin, in which he criticizes others for faulty logic and factual errors, I have come to the conclusion that he is not entirely objective, and some facts need to be put in the right perspective.

True, as Franklin noted, the Dutch arriving in 1652 did not treat the local population of Hottentots and Bushmen well. In this they did not differ from other colonizing nations of the time. These indigenous people did not belong, according to many anthropologists, to the black race and were rather thinly spread. In fact the Bushmen existed in Africa long before the appearance of the first blacks. The main issue, however, was and is with the blacks, and not with the Bushmen, who live more to the north in the Kalahari desert. The blacks in 1652 were not in South Africa.

The great mass of Bantu migration (real blacks) southward from West and Central Africa was halted for

Background to apartheid

many centuries for some unknown reason at the borders of South West Africa (Namibia) prior to 1652, and in Natal, north of the Orange River in the East. This was the situation when the first Dutch settlers appeared and started to expand northward from the Cape of Good Hope, without yet coming into contact with the Bantu.

About 1700 the Bantu advanced southward reaching the Orange River. Only at the end of the 18th century, the Xhosa, the southernmost Bantu tribe, started raiding farms of the Boers south of the Orange River in minor skirmishes. About 1830 the Zulu, a strong warlike Bantu tribe from the same region, started expanding in all directions, but they never entered South West Africa, as apparently the country was uninhabited. They penetrated, however, southward, reaching the Great Fish River in South Africa proper.

About 1840, because of British

originators of the modern concentration camps in South Africa), some of the Boers left their ancestral country, crossed the Orange River and fought the local Zulu, "the great trek," a real epopee, resulting in the founding of the Orange Free State. Nothing of the above - facts that would emphasize the historical rights of the Boers in a small part of Africa, which was then only sparsely populated and in the beginning not by blacks, was even mentioned by Franklin.

Not really in response to Mr. Franklin, I would like to add a few observations. In general there is no people on earth without a dark page in its history. I really am not in sympathy with the politics of the South Africans, the descendants of the mild-mannered Dutch and the French Huguenots who not so long ago were partly in sympathy with Nazi Germany. They put a blot on oppression (by the way, they were the

good name of one of the most progressive of peoples, the Dutch. On the other hand, however, I do not think that the blacks, the victims, are any better (examples in Africa and elsewhere are endless). Any people or person in a desperate situation acts according to basic instincts, and some do so without being forced to (Nazi Germany).

THE PRESENT situation in South Africa, with its apartheid politics after 1948, seems to me both the result of a desperate situation - a prolonged mass immigration of blacks with their enormous natural increase, catastrophically changing the demographic situation into a menace to the local white population, and also of the racist tendencies of the Boers themselves, with their paternalistic Protestant attitude towards the blacks. This of course cannot be denied, but on the other hand is no speciality of the Boers, to say the least. Let us not be arch

hypocrites. Many modern and developing nations in the 20th century practise racism, which seems to be inherent in every people and one of the greatest curses of mankind.

A democracy based on the motto of one man, one vote would on the other hand mean the end of the white population in South Africa, which would be a historical and human injustice as well. A division of the country with an exchange of population is nothing new in history or to the 20th century. It would, however, be extremely difficult, painful and costly. It would necessarily also mean compromise in certain areas of industry and mining.

Whatever the solution, if one can be found, it will require good will from both sides, especially from the whites, and of course require the end of privilege and a return to harder work for the whites, to something akin to what their forefathers, the "Voortrekkers," were used to. It must be possible and if they can agree, it may not be a fairy tale.

S.E. GROOTKERK
Kibbutz Regba.

PRIME SUSPECT

To the Editor of *The Jerusalem Post* Sir, - Yoram Gazit's report of October 31 about the subsequent developments after discovering the theft of his car makes amusing reading. The reality is far from amusing, especially if one does not happen to be a police reporter, with a "familiar" name.

My grandson was the prime suspect in the burglary of his own shop. Although he could furnish proof that he was away camping with his young family on the night in question, he was denied the authorization needed for his insurance claim and forced to undergo a polygraph test to satisfy the police of his innocence.

Of course, no attempt was made to find the criminals or the goods, and the only one to suffer humiliation was the shopkeeper.

R. SPIGELMANN
Netanya.

WHAT A PRESIDENT STANDS FOR

To the Editor of *The Jerusalem Post* Sir, - What are we trying to do to President Waldheim? Make him resign? Make the Austrian people, who democratically elected him, drive him from office in ignominy?

True, in his day, Kurt Waldheim was as devious a secretary general of the United Nations as ever filled that exalted post in a body where deviousness was no alien concept. This is as it should be. But the Austrian people with their charming penchant for *Schlagobier*, *Sachertorte* and *Schnitzel* saw in his character no impediment to the highest office in the land. And this is also as it should be.

After all, what do people want of their president? That he be the embodiment of the national character. Take us, what do we want of our president? That he personify what we, as a people, represent - this week on display for all the Papuans, Fijians and Australians to behold

and admire. And with what credentials? First of all, he is Jewish as the president of a Jewish state should be. Then, he is the son of a renowned rabbi and himself at one time a brilliant soldier. Such a man has every right to represent the Jewish people.

For similar reasons (if not criteria), in Kurt Waldheim the Austrians or at least a majority of those who voted have elected a worthy representative of what they are and what they stand for. Remember - *vox populi, vox dei*. His election proves that prudent opportunism and dissembling with more than a tinge of anti-Semitism is perceived by the majority of Austrians as the very essence of the national character. And since as such, President Waldheim truly represents them, we have no reason to cavil.

WIM VAN LEER
Jerusalem.

SYRIA

(Continued from Page One)
message that what has happened is absolutely unacceptable."

The EEC, it went on, had given the Syrians the right to reply to Britain's comprehensive dossier detailing the Syrian role in the Hindawi plot, but the Syrian reply "adds nothing to what was considered by the court which found Hindawi guilty, and to what the embassies have presented to the Syrian authorities."

The statement asserted that the EEC would "continue to employ all the political means available to us to persuade the Syrian authorities to translate into concrete action their stated condemnation of international terrorism." It called on Syria to end support for groups clearly involved in terror acts.

Howe said that no mention had been made at the talks of French Prime Minister Jacques Chirac's reported remarks, published in yesterday's *Washington Times*, that West German Chancellor Helmut Kohl believed that the Mossad had planned the Hindawi affair.

Outside the conference hall, copies of the newspaper containing what is said to be the transcript of Chirac's interview were handed out to participants.

The transcript has Chirac saying that the attempt to plant the bomb on the El Al plane was probably the result of a plot by the Israeli secret services, in collaboration with Syrian dissidents.

Chirac has been greatly embarrassed by the interview, was also quoted as saying that the West German government shared his view - a statement which the authorities in Bonn have since denied.

France's foreign minister, at a briefing intended only for French journalists, confirmed that nothing had been said about the Chirac inter-

DANES

(Continued from Page One)
gi, Saudi Arabian multimillionaire and jet-setter, had helped set up arms-for-hostage deals with Iran.

The news weekly, which gave no sources for its story, said Khashoggi was tipped off last year by Israeli businessmen who said some Iranian leaders were ready to accept such a deal.

Khashoggi was said to have handed the Israelis a list of items wanted by the Iranian regime, including Hawk anti-aircraft missiles and radar equipment to guide them, anti-tank rockets, and spare parts for U.S. fighter planes acquired during the reign of the shah.

Israel has funneled \$40 million worth of U.S. military material to Iran since the beginning of this year, *Time* said.

In Paris, a respected oil-industry weekly said yesterday that the U.S. had withdrawn support by its Saudi-based Awacs aircraft for Iraq, in response to an Iranian promise to free American hostages in Lebanon.

Petrostrategies, a magazine with close contacts in the Arab world, said its information came from "a source very close to the Saudi Arabian royal family."

(AFP, Reuters).

To Shmuel (Samu) Federman

Former President of the Israel Hotel Association

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Israel Hotel Association

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